

RAND WEST CITY LOCAL  
MUNICIPALITY



DRAFT  
2020/21 MEDIUM  
TERM REVENUE  
AND  
EXPENDITURE  
BUDGET DOCUMENT

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### Abbreviations and Acronyms

|       |  |
|-------|--|
| AMR   | Automated Meter Reading                  |
| B2B   | Back to Basics Programme                 |
| BSC   | Budget Steering Committee                |
| CBD   | Central Business District                |
| CFO   | Chief Financial Officer                  |
| CPI   | Consumer Price Index                     |
| DBSA  | Development Bank of South Africa         |
| DoRA  | Division of Revenue Act                  |
| DWS   | Department of Water and Sanitation       |
| EE    | Employment Equity                        |
| EEDSM | Energy Efficiency Demand Side Management |
| EM    | Executive Mayor                          |

|        |   |
|--------|---|
| FBS    | Free Basic Services                                   |
| GDP    | Gross domestic product                                |
| GDS    | Gauteng Growth and Development Strategy               |
| GFS    | Government Financial Statistics                       |
| GRAP   | General Recognised Accounting Practice                |
| HR     | Human Resources                                       |
| ICT    | Information and Communications Technology             |
| IDP    | Integrated Development Strategy                       |
| kℓ     | kilolitre   |
| km     | kilometre   |
| KPA    | Key Performance Area                                  |
| KPI    | Key Performance Indicator                             |
| kWh    | kilowatt hour   |
| LED    | Local Economic Development                            |
| LGSETA | Local Government Skills Education Training Authority  |
| MEC    | Member of the Executive Committee                     |
| MFMA   | Municipal Financial Management Act                    |
| MIG    | Municipal Infrastructure Grant                        |
| MM     | Municipal Manager                                     |
| MMC    | Member of Mayoral Committee                           |
| MPRA   | Municipal Properties Rates Act                        |
| MSA    | Municipal Systems Act                                 |
| MTREF  | Medium-Term Revenue and Expenditure Framework         |
| NDP    | National Development Plan                             |
| NERSA  | National Electricity Regulator South Africa           |
| NGO    | Non-Governmental organisations                        |
| NKPIs  | National Key Performance Indicators                   |
| OHS    | Occupational Health and Safety                        |
| PBO    | Public Benefit Organisations                          |
| PHC    | Primary Health Care                                   |
| PMS    | Performance Management System                         |
| PPE    | Property Plant and Equipment                          |
| PPP    | Public Private Partnership                            |
| PTIS   | Public Transport Infrastructure System                |
| RWCLM  | Rand West City Local Municipality                     |
| SALGA  | South African Local Government Association            |
| SAPS   | South African Police Service                          |
| SDBIP  | Service Delivery Budget Implementation Plan           |
| SDGs   | Sustainable Development Goals                         |
| SMMEs  | Small Micro and Medium Enterprises                    |
| TG     | Transformation Grant                                  |
| TMR    | Transformation Modernisation and Re-Industrialisation |
| WRDM   | West Rand District Municipality                       |

## **Part 1 – Draft Annual Budget**

### **1.1 Mayor's Report**

This report will be delivered by the Executive Mayor in his budget speech to Council on 31 May 2020.

The draft 2020/21 MTREF submitted to Council for approval. Incidentally this budget process, in addition to the macro socio-economic and fiscal contexts framing the local government space and the country in general, also presented the municipality with significant challenges considering the major financial and institutional legacies. It is also required in the next financial year to firstly ensure that the municipality's revenue enhancement measures are aggressively rolled out especially in respect of the reduction of water and electricity distribution losses. Secondly, a wide-ranging cost containment strategy must be formulated and implemented to effectively manage the constant upward pressures on the municipality's expenditure budget.

Concerning the institutional legacies inherited by the municipality, it will be imperative that the financial implications of the new organisational structure of the RWCLM is prudently managed to ensure that employee related costs do not spiral out of control. In this regard, the proper costing of the new organisational structure, urgent finalisation of the placement and migration processes and the filling of critical vacancies must be carefully managed to ensure that the municipality's personnel expenditure levels remain within the benchmark set by the National Treasury (NT).

## 1.2 Council Resolutions

On 31 May 2020 the Council of Rand West City Local Municipality will meet in the Council Chambers of the municipality in Randfontein to consider the Medium Term Revenue and Expenditure Framework (annual budget) of the municipality for the financial year 2020/21. The Council will approve the following resolutions:

1. That in terms of section 24 of the Municipal Finance Management Act, 2003 (Act 56 of 2003), the draft annual budget of the municipality for the financial year 2020/21 and the multi-year appropriations as set out in the following tables as contained in the draft Budget Document are approved:
  - 1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) – Table 14 on page 38;
  - 1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) – Table 15 on page 41;
  - 1.3. Budgeted Financial Performance (revenue by source and expenditure by type) – Table 16 on page 42;
  - 1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source – Table 17 on page 42;
  - 1.5. Budgeted Financial Position – Table 18 on page 44;
  - 1.6. Budgeted Cash Flows – Table 19 on page 46;
  - 1.7. Cash backed reserves and accumulated surplus reconciliation – Table 20 on page 47; and
  - 1.8. Asset management – Table 21 on page 48.
2. That the Basic Service Delivery Measurement as set out in Table 20 on page 47 be noted.
3. That in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the tariffs for property rates, electricity, the supply of water, sanitation services as well as refuse removal services as set out in the Municipal Tariff Book **Annexure “2”** be approved with effect from 1 July 2020.
4. That it be noted that the implementation of the proposed increase in electricity tariffs is subject to the approval of the National Electricity Regulator of South Africa (NERSA).
5. That in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the tariffs for sundry services as set out in **Annexure “2”** be approved with effect from 1 July 2020.

6. That the following draft budget-related policies for the Rand West City Local Municipality be approved:
- 6.1 Draft 2020/21 Municipal Tariff Book (**Annexure “1”**)
  - 6.2 Cost Containment Policy (**Annexure “2”**)
  - 6.3 Bad Debt Write Off policy (**Annexure “3”**)
  - 6.4 Borrowing Policy (**Annexure “4”**)
  - 6.5 Budget Policy (**Annexure “5”**)
  - 6.6 Capital Planning project policy (**Annexure “6”**)
  - 6.7 Cash and Investment Policy (**Annexure “7”**)
  - 6.8 Contract Management Policy (**Annexure “8”**)
  - 6.9 Credit Control and Debt Collection Policy (**Annexure “9”**)
  - 6.10 Fixed Asset Management Policy (**Annexure “10”**)
  - 6.11 Funding and Reserves Policy (**Annexure “11”**)
  - 6.12 Indigent Support Policy (**Annexure “12”**)
  - 6.13 Inventory Policy (**Annexure “13”**)
  - 6.14 Insurance Policy (**Annexure “14”**)
  - 6.15 Irregular, Unauthorised, Fruitless and Wasteful Expenditure Policy (**Annexure “15”**)
  - 6.16 Long Term Financial Planning Policy (**Annexure “16”**)
  - 6.17 Property Rates Policy Randfontein (**Annexure “17”**)
  - 6.18 Property Rates Policy Westonaria (**Annexure “18”**)
  - 6.19 Supply Chain Management Policy (**Annexure “19”**)
  - 6.20 Tariff Policy (**Annexure “20”**)
  - 6.21 Unclaimed deposit policy (**Annexure “21”**)
  - 6.22 Virement Policy (**Annexure “22”**)
  - 6.23 Revenue Enhancement Policy (**Annexure “23”**)
  - 6.24 Provision for Doubtful Debts Policy (**Annexure “24”**)
7. That the Municipal Manager in terms of section 24(3) of the Municipal Finance Management Act, 2003 (Act 56 of 2003), submit the approved budget of the municipality to the National Treasury and the Gauteng Provincial Treasury.
8. That cognizance be taken that all indigent households who have been registered, verified and approved with a threshold of R4,000-00 and less be accorded assistance as follows: -
- 6 kl free water
  - 50 kWh free electricity
  - Full subsidy for property rates
  - Full subsidy for sanitation
  - Full subsidy for refuse removal

### 1.3 Executive Summary

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the recently established Rand West City Local Municipality (RWCLM) achieves fiscal consolidation and financial viability over the medium term and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's strategic and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority areas and programmes to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core items as part of the municipality's cost containment measures incorporated into the approved financial recovery plan.

The municipality has embarked on implementing a range of revenue enhancement measures to optimise the collection



of levies and outstanding debt owed by consumers and ensure the systematic reduction in water and electricity distribution losses. Furthermore, the municipality will undertake various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 98 and 99 was used to guide the compilation of the 2020/21 MTREF. The CPI forecast for 2020/21 is estimated at 4.9% and 4.8% and 4.8% respectively for the two outer years. National Treasury (NT) urges municipalities to carefully consider the costs associated with service delivery while keeping in mind affordability and inflation when setting revenue raising measures. Furthermore, NT reminds municipalities that approving tariffs that are less than the cost associated with providing the services will negatively impact financial sustainability.

The main challenges experienced during the compilation of the 2020/21 MTREF can be summarised as follows:

- The ongoing challenges in the national and local economy in respect of low economic growth, unemployment, inequality and poverty;
- The post-merger issues impacting on institutional stability and financial viability of the newly established RWCLM;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and unfavourable cash position of the municipality;
- The increased cost of bulk water and electricity (due to tariff increases from Rand Water and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable as this will impact negatively on the affordability capacity of consumers;
- Wage increases for municipal staff that continue to exceed consumer inflation, filling of critical vacancies, as well as the need to address the post-merger institutional transformation issues;
- Affordability of capital projects – as part of the 2020/21 MTREF budget preparation process the funding of the capital budget had to be constrained to intergovernmental grant allocations due to the current liquidity challenges experienced by the municipality;

The following budget principles and guidelines directly informed the compilation of the 2020/21 MTREF:

- Tariff and property rate increases should be affordable and should generally be measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should consider the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budgets and have been gazetted as required by the annual Division of Revenue Act;

In view of the afore-mentioned, the following table is a consolidated overview of the proposed 2020/21 Medium-Term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the Draft 2020/21 MTREF**

| <b>Description</b>                 | <b>Adjustment<br/>Budget<br/>2019/20</b> | <b>Draft<br/>Budget<br/>2020/21</b> | <b>Budget<br/>Year +1<br/>2021/22</b> | <b>Budget<br/>Year +2<br/>2022/23</b> |
|------------------------------------|--|-------------------------------------|---------------------------------------|---------------------------------------|
| <b>R thousand '000</b>             |  |                                     |                                       |                                       |
| Operating Revenue                  | 1,861,528                                | 2,038,803                           | 2,166,672                             | 2,312,603                             |
| Operating Expenditure              | (1,935,823)                              | (2,037,974)                         | (2,163,717)                           | (2,297,226)                           |
| <b>Operating (Deficit) Surplus</b> | <b>(74,295)</b>                          | <b>829</b>                          | <b>2,955</b>                          | <b>15,377</b>                         |
| Capital Budget                     | 262,059                                  | 249,795                             | 272,970                               | 226,778                               |

Total operating revenue has grown by 9.5 per cent or R177 million for the 2020/21 financial year when compared to the 2019/20 Adjustments Budget. For the two outer years, operational revenue will increase by 6 per cent each year equating to a total revenue growth of R274 million over the MTREF when compared to the 2020/21 financial year.

Total operating expenditure for the 2020/21 financial year has been appropriated at R2, 038 billion and translates into a budget surplus of R1, 6 million.

The operating expenditure escalates by 5 per cent or R102 million in the 2020/21 budget and by 6 per cent for each of the respective outer years of the Draft MTREF. The operating surplus for the two outer years amounts to R3, 7 million in 2021/22 and then escalates to R16 million in 2022/23 financial year.

The draft capital budget for 2020/21 financial year will be R250 million. The capital budget will be fully funded from National and Provincial treasuries' grants over MTREF with an anticipated review of the capital funding mix to be undertaken during the preparation of the 2020/21 MTREF.

#### **1.4 Operating Revenue Framework**

Rand West City will continue to improve the quality of services provided to its citizens it needs to generate the required revenue. In these tough socio-economic times, strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with massive development backlogs and increasing levels of unemployment and poverty in our communities. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices must be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Anticipated growth in the municipal area and continued economic development;
- Efficient revenue management, which aims to ensure a 90 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff is as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services such as water, electricity, sanitation and refuse removal;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service.
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs; and
- The municipality's Indigent Policy and rendering of free basic services

The following table is a summary of the Draft 2020/21 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

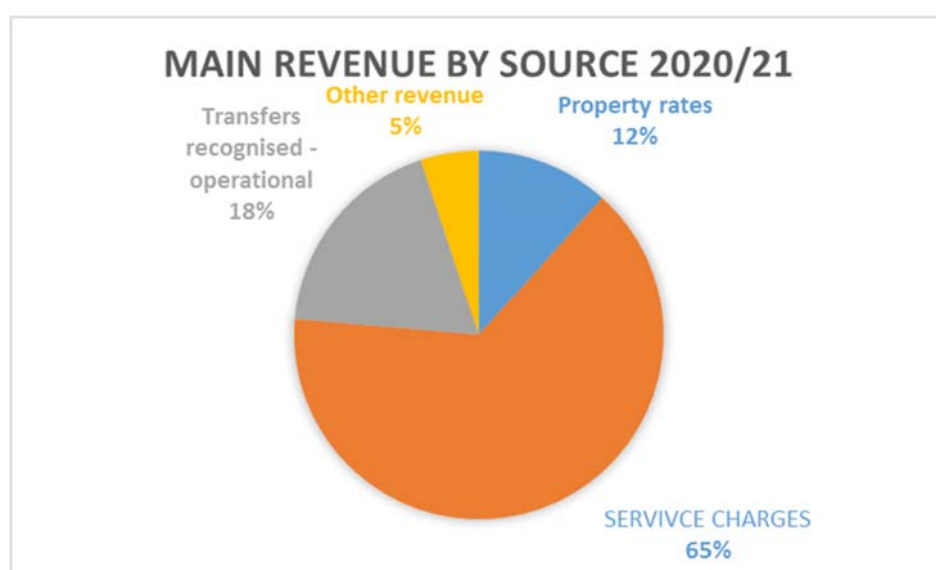
| Description  | Adjustment<br>Budget 2019/20 | Daft<br>Budget<br>2020/21 | Budget<br>Year +1<br>2021/22 | Budget<br>Year +2<br>2022/23 |
|--|------------------------------|---------------------------|------------------------------|------------------------------|
| <b>R' thousands '000</b>   |                              |                           |                              |                              |
| Property Rates   | 224,520                      | 259,616                   | 276,231                      | 303,855                      |
| Service Charges - Electricity Revenue                              | 706,905                      | 782,887                   | 831,740                      | 883,640                      |
| Service Charges - Water Revenue                                    | 340,351                      | 362,814                   | 384,583                      | 407,658                      |
| Service Charges - Sanitation Revenue                               | 73,041                       | 77,716                    | 82,379                       | 87,321                       |
| Service Charges - Refuse Revenue                                   | 76,032                       | 80,898                    | 85,752                       | 90,898                       |
| Rental of Facilities and Equipment                                 | 1,604                        | 1,764                     | 1,941                        | 2,135                        |
| Interest Earned - External Investments                             | 3,473                        | 3,821                     | 4,050                        | 4,293                        |
| Interest Earned - Outstanding Debtors                              | 37,886                       | 41,675                    | 45,842                       | 50,426                       |
| Dividends Received   | 53                           | 56                        | 60                           | 63                           |
| Fines  | 12,599                       | 13,859                    | 14,690                       | 15,572                       |
| Licences and Permits   | 106                          | 116                       | 123                          | 131                          |
| Agency Services  | 18,599                       | 20,459                    | 21,687                       | 22,988                       |
| Donations  | 1,622                        | —                         | —                            | —                            |
| Transfers Recognised - Operational                                 | 344,610                      | 370,981                   | 393,240                      | 416,834                      |
| Other Revenue  | 20,127                       | 22,140                    | 24,354                       | 26,789                       |
| <b>Total revenue excluding capital transfers and contributions</b> | <b>1,861,528</b>             | <b>2,038,803</b>          | <b>2,166,672</b>             | <b>2,312,603</b>             |

In line with the formats prescribed by the Municipal Budget and Reporting Regulations (MBRR), capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the municipality. Rates and service charge revenues comprise slightly more than three quarters of the total revenue mix. In the 2020/21 financial year, revenue from rates and services charges totalled R 1.6 billion or 77 per cent of total operating revenue. This increases to R1.7 billion and R1.8 billion in the respective financial years of the MTREF.

**Figure 1 Main source of revenue for the 2020/21 Financial Year**

**PIE GRAPH**



Electricity is the largest source of revenue for the municipality, contributing R783 million or 38 per cent of total revenue in 2020/21 and escalates to R832 million in 2021/22 and R984 million in 2022/23 financial year. Revenue from water service charges in the 2020/21 financial year amounts to R363 million or 18 per cent of total revenue and increases to R385 million in 2021/22 and R408 million in 2022/23 financial year.

Property rates is the third largest own revenue source after water service charges totalling 13 per cent or R260 million in 2020/21 and increases to R276 million in 2021/22 and R304 million in 2022/23 financial year.

Operating grants and transfers totals R621 million in the 2020/21 financial year and increases to R645.5 million by 2021/22 and decreases to R630 million in 2022/23 financial year. Note that the year-on-year growth for the 2020/21 financial year is marginal at 7 per cent. The municipality's equitable share allocation is the largest operating grant to be received by the municipality over the medium term and increases to R332 million in 2020/21 and escalates steadily to R363 million in 2021/22 and R395 million in 2022/23 financial year.

The figure below provides a breakdown of the 2020/21 operating transfers and grants.

**Table 3 Operating Transfers and Grant Receipts**

GT485 Rand West City - Supporting Table SA18 Transfers and grant receipts

| Description<br><br>R thousand                      | Ref     | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|---------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |         | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>RECEIPTS:</b>                                   | 1,<br>2 |                 |                 |                 |                      |                 |                    |   |                        |                        |
| - <u>Operating Transfers and Grants</u>            |         |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:                               |         | 185,683         | 246,438         | 245,507         | 313,792              | 313,792         | -                  | 342,819   | 372,574                | 403,827                |
| Local Government Equitable Share                   |         | 178,750         | 239,112         | 239,112         | 303,723              | 303,723         |                    | 331,821   | 363,446                | 394,706                |
| Finance Management                                 |         | 2,950           | 3,100           | 3,170           | 2,500                | 2,500           |                    | 2,000   | 2,200                  | 2,400                  |
| Municipal Systems Improvement                      |         |                 |                 |                 |                      |                 |                    | 2,000   | 2,000                  | 1,500                  |
| EPWP Incentive                                     |         |                 |                 |                 | 3,011                | 3,011           |                    | 2,471   |                        |                        |
| Other transfers/grants [insert description] : MIG  |         | 3,983           | 4,226           | 3,225           | 4,558                | 4,558           |                    | 4,527   | 4,928                  | 5,221                  |
| Provincial Government:                             |         | -               | 19,249          | 19,284          |                      | 18,317          | -                  | 28,162  | -                      | -                      |
| Sport and Recreation                               |         |                 | 19,249          | 19,284          | 18,317               | 18,317          |                    | 28,162  | -                      | -                      |
| Other transfers/grants [insert description] : MIG  |         |                 |                 |                 |                      |                 |                    |   |                        |                        |
| District Municipality:                             |         | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| [insert description]                               |         |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other grant providers:                             |         | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| [insert description]                               |         |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Total Operating Transfers and Grants</b>        | 5       | 185,683         | 265,687         | 264,791         | 313,792              | 332,109         | -                  | 370,981   | 372,574                | 403,827                |
| <u>Capital Transfers and Grants</u>                |         |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:                               |         | 106,093         | 130,453         | 159,748         | 182,088              | 178,524         | -                  | 174,712   | 195,551                | 226,778                |
| Municipal Infrastructure Grant (MIG)               |         | 76,093          | 83,453          | 88,750          | 86,597               | 88,033          |                    | 86,007  | 98,551                 | 104,418                |
|  |         |                 | 12,000          | 10,000          | 25,600               | 25,600          |                    | 46,245  | 42,000                 | 42,000                 |
|  |         |                 |                 | 5,998           | 5,000                | -               |                    | 4,000   | 5,000                  | 7,000                  |
| Other capital transfers/grants [insert desc]: WSIG |         | 30,000          | 35,000          | 55,000          | 64,891               | 64,891          |                    | 38,460  | 50,000                 | 73,360                 |
| Provincial Government:                             |         | -               | 2,076           | 1,000           | -                    | -               | -                  | 75,083  | 77,419                 | -                      |

|  |   |         |         |         |         |         |   |         |         |         |
|--|---|---------|---------|---------|---------|---------|---|---------|---------|---------|
| Other capital transfers/grants [insert description]:SRAC |   |         | 2,076   | 1,000   |         |         |   | 1,700   | –       | –       |
| Human Settlement   |   |         |         |         |         |         |   | 73,383  | 77,419  |         |
| District Municipality:<br>[insert description]           |   | –       | –       | –       | –       | –       | – | –       | –       | –       |
|  |   |         |         |         |         |         |   |         |         |         |
| Other grant providers:<br>[insert description]           |   | –       | –       | –       | –       | –       | – | –       | –       | –       |
|  |   |         |         |         |         |         |   |         |         |         |
| Total Capital Transfers and Grants                       | 5 | 106,093 | 132,529 | 160,748 | 182,088 | 178,524 | – | 249,795 | 272,970 | 226,778 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS                     |   | 291,776 | 398,216 | 425,539 | 495,880 | 510,633 | – | 620,776 | 645,544 | 630,605 |

#### References

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised input costs, tariff structures in the two disestablished municipalities and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6.4 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increase of Eskom is well below inflation whilst the Rand Water bulk tariffs are far above the mentioned inflation target. Given that these tariff increases are determined by external agencies; the impact they have on the municipality's trading services' tariffs are largely outside the control of the municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the RWCLM has undertaken the tariff setting process relating to service charges as follows.

The table below highlights the proposed percentage increase in tariffs per main service category.

**Table 4 Proposed tariff increase for the 2020/21 Financial year**

| Revenue category | 2020/21 Average tariff increase |
|------------------|---------------------------------|
| Electricity      | 6.24%                           |
| Water            | 6.6%                            |
| Sanitation       | 6.4%                            |
| Refuse           | 6.4%                            |
| Property rates   | 6.4%                            |

The various tariff proposals are discussed per revenue stream below.

#### **1.4.1 Property Rates**

A municipality levies rates on all rate-able property in its area to fund the non-revenue generating services. The determination of tariffs takes into account the affordability as well as fairness of the rate ratios between categories of

properties.

Property rates amount to R260 million in the 2020/21 budget year and increases to R276 million by 2021/22 and R305 million 2022/23 financial year. In accordance with the Municipal Property Rates Act, 2004 (MPRA) and the RWCLM Property Rates Policy, the municipality has opted to differentiate between various categories of properties and property owners. Some categories of property and owners may be granted relief, exemption, rebate or reduction in the payment of property rates in accordance with the approved policy.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2020/21 financial year based on an average 6,4 per cent increase from 1 July 2020 is contained below:

**Table 5 Comparison of proposed rates to be levied for the 2020/21 financial year**

| Detailed Category                      | Approved 2019/2020 | Exemption | Rebate    | Proposed Tariffs 2020/21 |
|--|--------------------|-----------|-----------|--------------------------|
| Agricultural property used for Farming | 0.00357            | 0.00      | Can Apply | 0.0038                   |
| Commercial / Industrial                | 0.0339             | 0.00      | 10%       | 0.0361                   |
| Business                               | 0.0339             | 0.00      | 0%        | 0.0361                   |
| Government / State owned               | 0.0339             | 0.00      | 0%        | 0.0361                   |
| Mining                                 | 0.0339             | 0.00      | 0%        | 0.0361                   |
| Multipurpose                           | 0.0339             | 0.00      | 25%       | 0.0361                   |
| Public Service Infrastructure          | 0.0040             | 0.00      | 0%        | 0.0043                   |
| Public Open Space                      | 0.0040             | 0.00      | 0%        | 0.0043                   |
| Parking                                | 0.0143             | 0.00      | 0%        | 0.0152                   |
| Recreation                             | 0.0356             | 0.00      | 25%       | 0.0379                   |
| Residential                            | 0.0143             | 50.00     | 10%       | 0.0152                   |
| Sectional Title                        | 0.0143             | 50.00     | 10%       | 0.0152                   |
| Vacant Stands                          | 0.0679             | 0.00      | 0%        | 0.0722                   |
| Municipal Rateable                     | 0.0143             | 50.00     | 10%       | 0.0152                   |
| Education                              | 0.0356             | 0.00      | 0%        | 0.0379                   |
| Religious (Public worship)             | 0.0000             | 0.00      | 0%        | 0.0000                   |
| Private Open Space                     | 0.0356             | 0.00      | 25%       | 0.0379                   |
| Institute                              | 0.0356             | 0.00      | 0%        | 0.0379                   |
| Private Owned PSI                      | 0.0413             | 0.00      | 25%       | 0.0439                   |
| Township Title Property's              | 0.0143             | 50.00     | 10%       | 0.0152                   |
| Servitudes                             | 0.0143             | 50.00     | 10%       | 0.0152                   |
| Public Benefit Organization            | 0.0035             | 0.00      | 75%       | 0.0037                   |

#### 1.4.2 Sale of Water and Impact of Tariff Increases

National Treasury is encouraging all municipalities to carefully review the level and structure of the water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

Rand Water has increased its bulk tariffs with 6.6 per cent from 1 July 2020, which increase significantly to the municipality's water input cost.

An average tariff increase of 6.6 per cent from 1 July 2020 for water is proposed. The proposed increase is based on input cost assumptions of 6 per cent increase in the cost of bulk water (Rand Water), the cost of other inputs increasing and a surplus generated on the water service. In addition, 6 kℓ water per 30-day period will again be granted free of charge to all registered indigents.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

**Table 6 Proposed Water Tariffs**

| Consumer type                        | Approved tariffs<br>2019/2020 | Proposed tariffs<br>2020/21 |
|--------------------------------------|-------------------------------|-----------------------------|
| <b>Residential / Flats</b>           |                               |                             |
| Basic Charge                         | 38.76                         | 41.32                       |
| 0-6KL(Non Indigents)                 | 16.85                         | 17.97                       |
| 7 to 10 kl                           | 27.89                         | 29.73                       |
| 11 to 20 kl                          | 31.08                         | 33.13                       |
| 21 to 30 kl                          | 31.57                         | 33.66                       |
| 31KL AND MORE                        | 33.95                         | 36.19                       |
| <b>Small Business</b>                |                               |                             |
| Basic Charge                         | 215.80                        | 230.04                      |
| <b>Business and Industries</b>       |                               |                             |
| Basic Charge                         | 644.06                        | 686.56                      |
| 0-100 kl                             | 29.74                         | 31.70                       |
| 101 to 199 kl                        | 28.46                         | 30.34                       |
| 200 and more                         | 31.18                         | 33.24                       |
| <b>Schools, Churches and Welfare</b> |                               |                             |
| Up to 200 kl                         | 25.18                         | 26.85                       |
| <b>Institution Bids</b>              |                               |                             |
| Exceeding 200 kl                     | 25.18                         | 26.85                       |
| <b>Mines bulk</b>                    |                               |                             |
| Bulk water                           | 17.13                         | 18.27                       |
| <b>Supply of unmetered water</b>     |                               |                             |
| Deemed Consumption 30 kl             | 247.90                        | 264.26                      |
| <b>Informal settlement</b>           |                               |                             |
| Kl                                   | 24.45                         | 26.06                       |



| Vacant Stands                       |        |        |
|-------------------------------------|--------|--------|
| Per residential stand per month     | 195.71 | 208.63 |
| Per non-residential stand per month | 277.26 | 295.56 |

### 1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA's revised bulk electricity pricing structure is still pending. A proposed 6.24 per cent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2020.

Considering the Eskom increases, the increase in the consumer tariff is also proposed at 6.24 per cent from 1 July 2020. Registered indigents will be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs on the electricity charges for domestic customers:

**Table 7 Comparison between current electricity charges and increase (Domestic)**

#### Domestic consumers with Conventional electricity meters (non-indigent households)

| Tariffs blocks<br>kwh   | Approved tariffs<br>(c/kWh) 2019/2020 | Proposed Tariffs<br>2020/21 |
|-------------------------|---------------------------------------|-----------------------------|
| Block 1 (0 – 50) kWh    | 124.38                                | 132.14                      |
| Block 2 (51 – 350) kWh  | 140.21                                | 148.96                      |
| Block 3 (351 - 600) kWh | 189.66                                | 201.50                      |
| Block 4 (600) kWh       | 223.48                                | 237.43                      |
| Basic Charge(R/Month)*  | 66.44                                 | 70.59                       |

\*Basic charge tariff is per connection

#### Domestic consumers with Prepaid Electricity Meters (non-indigent households)

| Tariffs blocks<br>kwh   | Approved tariffs<br>(c/kWh) 2019/2020 | Proposed Tariffs<br>2020/21 |
|-------------------------|---------------------------------------|-----------------------------|
| Block 1 (0 – 50) kWh    | 124.38                                | 132.15                      |
| Block 2 (51 – 350) kWh  | 136.60                                | 145.14                      |
| Block 3 (351 - 600) kWh | 187.07                                | 198.77                      |
| Block 4 (600) kWh       | 220.62                                | 234.41                      |
| Basic Charge(R/Month)*  | 66.44                                 | 70.59                       |

\*Basic charge tariff is per connection

**Domestic consumers with Prepaid Electricity Meters (Indigent households)**

| Tariffs blocks<br>kwh   | Approved tariffs<br>(c/kWh) 2019/2020 | Proposed tariffs<br>(c/kWh) 2020/21 |
|-------------------------|---------------------------------------|-------------------------------------|
| Block 1 (0 – 50) kWh    | 106.29                                | 112.92                              |
| Block 2 (51 – 350) kWh  | 134.55                                | 142.95                              |
| Block 3 (351 - 600) kWh | 189.66                                | 201.49                              |
| Block 4 (600) kWh       | 223.48                                | 237.43                              |

**Domestic consumers with Conventional Electricity Meters (Indigent households)**

| Tariffs blocks<br>kwh   | Approved tariffs<br>(c/kWh) 2019/2020 | Proposed tariffs<br>(c/kWh) 2020/21 |
|-------------------------|---------------------------------------|-------------------------------------|
| Block 1 (0-50) kWh      | 106.29                                | 112.92                              |
| Block 2 (51 – 350) kWh  | 134.55                                | 142.95                              |
| Block 3 (351 - 600) kWh | 189.66                                | 201.49                              |
| Block 4 (600) kWh       | 223.48                                | 237.43                              |

**Commercial Tariffs**

| Commercial Prepaid meter Tariffs      | Approved tariffs<br>(c/kWh) 2019/2020 | Proposed Tariffs<br>2020/21         |
|---------------------------------------|---------------------------------------|-------------------------------------|
| Energy charge : c/kWh                 | 221.28                                | 235.09                              |
| Basic Charge : c/kWh*                 | 187.24                                | 198.93                              |
| Commercial Conventional meter Tariffs | Approved tariffs<br>(c/kWh) 2019/2020 | Proposed tariffs<br>(c/kWh) 2020/21 |
| Energy charge : c/kWh                 | 184.69                                | 196.21                              |
| Basic Charge : c/kWh*                 | 457.29                                | 485.82                              |

\* Basic charge tariff is per connection

**Industrial Tariffs**

| Industrial < 1000 kVA         | Approved tariffs<br>(c/kWh) 2019/2020 | Proposed tariffs<br>(c/kWh) 2020/21 |
|-------------------------------|---------------------------------------|-------------------------------------|
| Energy Charge : c/kWh         | 92.56                                 | 98.34                               |
| Demand Charge : R\kVA         | 245.71                                | 261.04                              |
| Basic / Fix charge : R/month* | 2,504.47                              | 2,660.75                            |
| Industrial > 1000 kVA         | Approved tariffs<br>(c/kWh) 2019/2020 | Proposed tariffs<br>(c/kWh) 2020/21 |
| Energy Charge : c/kWh         | 94.23                                 | 100.11                              |
| Demand Charge : R\Kva         | 250.74                                | 266.39                              |

|                               |          |          |
|-------------------------------|----------|----------|
| Basic / Fix charge : R/month* | 2,504.47 | 2,660.75 |
|-------------------------------|----------|----------|

\*Basic charge tariff is per connection

**Time of Use above 70 kVA: Bulk TOU MV supply at Bulk Stations**

| <b>Time of Use above 70 kVA : Bulk TOU MV supply at Bulk substations</b> | <b>Approved tariffs (c/kWh) 2019/2020</b> | <b>Proposed tariffs (c/kWh) 2020/21</b> |
|--|---|---|
| Basic / Fix charge : R/kVA*  | 5,008.94                                  | 5,321.50                                |
| Demand Charge : R/kVA/months   | 132.63                                    | 140.91                                  |
| Access Charge : R/kVA/months   | 106.10                                    | 112.73                                  |
| Energy Charge : High Demand : Peak (c/kWh)                               | 325.49                                    | 345.81                                  |
| Energy Charge : High Demand : Standard (c/kWh)                           | 106.96                                    | 113.64                                  |
| Energy Charge : High Demand : Off-peak (c/kWh)                           | 73.41                                     | 77.99                                   |
| Energy Charge : Low Demand : Peak (c/kWh)                                | 114.25                                    | 121.37                                  |
| Energy Charge : Low Demand : Standard (c/kWh)                            | 82.36                                     | 87.50                                   |
| Energy Charge : Low Demand : Off-peak (c/kWh)                            | 56.76                                     | 60.30                                   |
| Reactive energy : c/kVArh  | 4.05                                      | 4.30                                    |

\* Basic charge tariff is per connection

**Bulk TOU MV Supply at MV Network**

| <b>Bulk TOU MV Supply at MV Network</b>        | <b>Approved tariffs (c/kWh) 2019/2020</b> | <b>Proposed tariffs (c/kWh) 2020/21</b> |
|--|---|---|
| Basic / Fix charge : R/kVA*                    | 2,504.47                                  | 2,660.75                                |
| Demand Charge : R/kVA/months                   | 139.28                                    | 147.97                                  |
| Access Charge : R/kVA/months                   | 111.42                                    | 118.37                                  |
| Energy Charge : High Demand : Peak (c/kWh)     | 332.01                                    | 352.72                                  |
| Energy Charge : High Demand : Standard (c/kWh) | 109.10                                    | 115.91                                  |
| Energy Charge : High Demand : Off-peak (c/kWh) | 74.87                                     | 79.55                                   |
| Energy Charge : Low Demand : Peak (c/kWh)      | 116.53                                    | 123.80                                  |
| Energy Charge : Low Demand : Standard (c/kWh)  | 84.01                                     | 89.25                                   |
| Energy Charge : Low Demand : Off-peak (c/kWh)  | 57.72                                     | 61.32                                   |
| Reactive energy : c/kVArh                      | 4.05                                      | 4.30                                    |

\* Basic charge tariff is per connection

**Bulk TOU LV Supply**

| <b>Bulk TOU LV Supply</b>                      | <b>Approved tariffs<br/>(c/kWh) 2019/2020</b> | <b>Proposed tariffs<br/>(c/kWh) 2020/21</b> |
|--|---|---|
| Basic / Fix charge : R/kVA*                    | 1,252.24                                      | 1,330.38                                    |
| Demand Charge : R/kVA/months                   | 152.64  | 162.17                                      |
| Access Charge : R/kVA/months                   | 114.71  | 121.87                                      |
| Energy Charge : High Demand : Peak (c/kWh)     | 348.62  | 370.37                                      |
| Energy Charge : High Demand : Standard (c/kWh) | 114.55  | 121.70                                      |
| Energy Charge : High Demand : Off-peak (c/kWh) | 78.62   | 83.52                                       |
| Energy Charge : Low Demand : Peak (c/kWh)      | 122.36  | 130.00                                      |
| Energy Charge : Low Demand : Standard (c/kWh)  | 88.21   | 93.71                                       |
| Energy Charge : Low Demand : Off-peak (c/kWh)  | 60.64   | 64.42                                       |
| Reactive energy : c/kVA                        | 4.53  | 4.82  |

\*Basic charge tariff is per connection

**Street Lighting Tariff**

| <b>Street lighting</b> | <b>Approved tariffs<br/>(c/kWh) 2019/2020</b> | <b>Proposed tariffs<br/>(c/kWh) 2020/21</b> |
|------------------------|---|---|
| Energy charge : c/kWh  | 169.53  | 180.10                                      |

**1.4.4 Sanitation and The Impact of Tariff Increases**

An average tariff increase of 6.4 per cent for sanitation from 1 July 2020 is proposed. This is based on the input cost assumptions and balancing the standardization of tariff structures across the municipal. It should be noted sanitation charges are currently calculated according to the size of the property as indicated in the table below. This methodology will be reviewed and the municipality will investigate the possibility of introducing sanitation charges calculated according to the percentage water discharged.

Free sanitation will be applicable to all registered indigents. The total revenue expected to be generated from rendering this service amounts to R78 million for the 2020/2021, which increases to R82 million in 2021/22 and R87 million in 2022/23 financial year.

The following table compares the current and proposed tariffs:

**Tables 8 Comparison between current sanitation charges and tariff increases**

| <b>Consumer type:</b> | <b>Approved tariffs<br/>2019/20</b> | <b>Proposed Tariffs<br/>2020/21</b> |
|-----------------------|-------------------------------------|-------------------------------------|
| Residential:          |                                     |                                     |
| 0-350                 | 27.41                               | 29.16                               |
| 351-600               | 40.43                               | 43.01                               |
| 601-800               | 40.43                               | 43.01                               |
| 801-1000              | 40.43                               | 43.02                               |
| 1001-1200             | 52.58                               | 55.95                               |
| 1201-1400             | 52.58                               | 55.95                               |
| over 1401             | 193.22                              | 205.59                              |

| <b>Consumer type:</b>                          | <b>Approved tariffs<br/>2019/20</b> | <b>Proposed Tariffs<br/>2020/21</b> |
|--|-------------------------------------|-------------------------------------|
| <b>Bulk water</b>                              |                                     |                                     |
| Over 150 kl                                    | 1.08                                | 1.14                                |
| <b>Additional Levy</b>                         |                                     |                                     |
| House/Flats                                    | 125.35                              | 133.37                              |
| Business/ Industries / Hotels / Gov. per point | 137.75                              | 146.57                              |
| Bulk water per kl                              | 5.20                                | 5.54                                |
| <b>Vacuum Tanker service</b>                   |                                     |                                     |
| per KL   | 167.49                              | 178.21                              |
| <b>VIP Toilets and Buckets</b>                 |                                     |                                     |
| per suction                                    | 63.84                               | 67.93                               |
| <b>Availability Charge vacant stands</b>       |                                     |                                     |
| Residential                                    | 201.86                              | 214.78                              |
| Non residential                                | 280.90                              | 298.87                              |

#### 1.4.5 Refuse Removal and The Impact of Tariff Increases

An average 6.4 per cent increase in the waste removal tariff is proposed from 1 July 2020. The projected revenue for the refuse removal is R81 million in 2020/21, R86 million in 2021/22 and R91 million in 2022/23 financial year.

The increase in revenue is not clearly realistic as compared to the suggested tariff increase. The municipality should note that the waste department cost far exceed the revenue generated. The revenue generated by this service is not sufficient to cover the cost of the service incurred by the municipality. Ageing infrastructure and the cost of maintaining landfill site are very high, the other key challenge is the level of service the municipality provides to the communities. The municipality's service level standard is to collect refuse once every week from residential consumers and for certain business customers the service is extended to a more frequent basis.

The following table compares current and proposed amounts payable from 1 July 2020:

**Table 9 Comparison between current waste removal fees and increases  
Refuse Tariffs**

| Consumer type             | Approved tariffs<br>2019/20 | Proposed 2020/21 |
|---------------------------|-----------------------------|------------------|
| Business Daily per Month  | 902.81                      | 960.59           |
| Business per Bin          | 339.63                      | 361.37           |
| Institutions per Bin      | 319.88                      | 340.35           |
| Residential/Flats per Bin | 161.89                      | 172.25           |
| Old Age Homes per Bin     | 48.68                       | 51.79            |
| Industrial per M3         | 122.86                      | 130.72           |

#### 1.4.6 Overall impact of tariff increase on households

The following table shows the overall expected impact of the tariff increases on a large and small household as well as an indigent household receiving free basic services.

**Table 10 MBRR table SA 14 – Households bills**

GT485 Rand West City - Supporting Table  
SA14 Household bills

| Description   | Ref | 2016/17            | 2017/18            | 2018/19            | Current Year 2019/20 |                    |                       | 2020/21<br>Medium<br>Term<br>Revenue &<br>Expenditure<br>Framework |                           |                              |                              |
|---|-----|--------------------|--------------------|--------------------|----------------------|--------------------|-----------------------|--|---------------------------|------------------------------|------------------------------|
|   |     | Audited<br>Outcome | Audited<br>Outcome | Audited<br>Outcome | Original<br>Budget   | Adjusted<br>Budget | Full Year<br>Forecast | Budget<br>Year<br>2020/21<br>% incr.                               | Budget<br>Year<br>2020/21 | Budget<br>Year +1<br>2021/22 | Budget<br>Year +2<br>2022/23 |
| Rand/cent   |     |                    |                    |                    |                      |                    |                       |  |                           |                              |                              |
| <u>Monthly Account for Household - 'Middle Income Range'</u><br>Rates and services charges: | 1   |                    |                    |                    |                      |                    |                       |  |                           |                              |                              |
| Property rates  |     | 334                | 357                | 380.00             | 404.32               | 404                | 404                   | 6.3%   | 429.79                    | 456.87                       | 485.65                       |
| Electricity: Basic levy   |     | 50                 | 55                 | 58.00              | 61.71                | 61.71              | 61.71                 | 6.3%   | 65.60                     | 69.73                        | 74.13                        |
| Electricity: Consumption  |     | –                  | –                  | –                  | –                    | –                  | –                     | –  | –                         | –                            | –                            |
| Water: Basic levy   |     | 89                 | 32                 | 36.00              | 35.92                | 35.92              | 35.92                 | 6.6%   | 34.85                     | 37.05                        | 39.38                        |
| Water: Consumption  |     | 180                | 175                | 120.00             | 129.48               | 129.48             | 129.48                | 6.6%   | 128.41                    | 136.50                       | 145.10                       |
| Sanitation  |     | 104                | 111                | 118.00             | 125.55               | 125.55             | 125.55                | 6.4%   | 133.59                    | 142.00                       | 150.95                       |
| Refuse removal  |     | 152                | 143                | 152.00             | 161.73               | 161.73             | 161.73                | 6.4%   | 172.08                    | 182.92                       | 194.44                       |
| Other   |     | 10                 | 10                 | 10.00              | 10.00                | 10.00              | 10.00                 | –  | 10.00                     | 10.00                        | 10.00                        |
| sub-total   |     | 919.00             | 883.00             | 874.00             | 928.71               | 928.71             | 928.71                | 4.9%   | 974.33                    | 1,035.08                     | 1,099.66                     |

|   |   |          |          |          |          |          |          |      |          |          |          |
|---|---|----------|----------|----------|----------|----------|----------|------|----------|----------|----------|
| VAT on Services   |   |          |          |          |          |          |          |      |          |          |          |
| Total large household bill:   |   | 919.00   | 883.00   | 874.00   | 928.71   | 928.71   | 928.71   | 4.9% | 974.33   | 1,035.08 | 1,099.66 |
| % increase/-decrease  |   |          | (3.9%)   | (1.0%)   | 6.3%     | -        | -        |      | 4.9%     | 6.2%     | 6.2%     |
| <u>Monthly Account for Household - 'Affordable Range'</u>                                 | 2 |          |          |          |          |          |          |      |          |          |          |
| Rates and services charges:   |   |          |          |          |          |          |          |      |          |          |          |
| Property rates  |   | 483      | 500      | 513.00   | 545.83   | 545.83   | 545.83   | 6.3% | 580.22   | 616.77   | 655.63   |
| Electricity: Basic levy   |   | 50       | 55       | 57.00    | 62.36    | 62.36    | 62.36    | 6.3% | 66.29    | 70.46    | 74.90    |
| Electricity: Consumption  |   | -        | -        | -        | -        | -        | -        | -    | -        | -        | -        |
| Water: Basic levy   |   | 89       | 32       | 36.00    | 38.30    | 38.30    | 38.30    | 6.6% | 40.83    | 43.40    | 46.14    |
| Water: Consumption  |   | 1,871    | 2,489    | 3,105.00 | 3,350.30 | 3,350.30 | 3,350.30 | 6.6% | 3,571.41 | 3,796.41 | 4,035.59 |
| Sanitation  |   | 104      | 104      | 118.00   | 125.55   | 125.55   | 125.55   | 6.4% | 133.59   | 142.00   | 150.95   |
| Refuse removal  |   | 152      | 143      | 152.00   | 161.73   | 161.73   | 161.73   | 6.4% | 172.08   | 182.92   | 194.44   |
| Other   |   | 10       | 10       | 10.64    | 10.00    | 10.00    | 10.00    | -    | 10.00    | 10.00    | 10.00    |
| sub-total   |   | 2,759    | 3,333    | 3,991.64 | 4,294.07 | 4,294.07 | 4,294.07 | 6.5% | 4,574.42 | 4,861.98 | 5,167.65 |
| VAT on Services   |   |          |          |          |          |          |          |      |          |          |          |
| Total small household bill:   |   | 2,759.00 | 3,333.00 | 3,991.64 | 4,294.07 | 4,294.07 | 4,294.07 | 6.5% | 4,574.42 | 4,861.98 | 5,167.65 |
| % increase/-decrease  |   |          | 20.8%    | 19.8%    | 7.6%     | -        | -        |      | 6.5%     | 6.3%     | 6.3%     |
|   |   |          |          | -0.05    | -0.62    | -1.00    | -        |      |          |          |          |
| <u>Monthly Account for Household - 'Indigent' Household receiving free basic services</u> | 3 |          |          |          |          |          |          |      |          |          |          |
| Rates and services charges:   |   |          |          |          |          |          |          |      |          |          |          |
| Property rates  |   | 197      | 210      | 223.00   | 237.27   | 237.27   | 237.27   | 6.3% | 252.22   | 268.11   | 285.00   |
| Electricity: Basic levy   |   | 50       | 55       | 57.00    | 62.36    | 62.36    | 62.36    | 6.3% | 66.29    | 70.46    | 74.90    |
| Electricity: Consumption  |   | -        | -        | -        | -        | -        | -        | -    | -        | -        | -        |
| Water: Basic levy   |   | 89       | 32       | 36.00    | 35.00    | 35.00    | 35.00    | 6.6% | 37.31    | 39.77    | 42.40    |
| Water: Consumption  |   | 200      | 252      | 283.00   | 305.36   | 305.36   | 305.36   | 6.6% | 325.51   | 346.99   | 369.90   |
| Sanitation  |   | 104      | 104      | 118.00   | 125.55   | 125.55   | 125.55   | 6.4% | 133.59   | 142.14   | 151.23   |
| Refuse removal  |   | 152      | 143      | 152.00   | 161.73   | 161.73   | 161.73   | 6.4% | 172.08   | 183.09   | 194.81   |
| Other   |   | 10       | 10       | 10.00    | 10.00    | 10.00    | 10.00    | -    | 10.00    | 10.00    | 10.00    |
| sub-total   |   | 802      | 806      | 879.00   | 937.27   | 937.27   | 937.27   | 6.4% | 996.99   | 1,060.57 | 1,128.24 |
| VAT on Services   |   | 112.28   | 112.84   | 123.06   | 140.59   | 140.59   | 140.59   |      | 149.55   | 159.15   | 169.20   |
| Total small household bill:   |   | 914.28   | 918.84   | 1,002.06 | 1,077.86 | 1,077.86 | 1,077.86 | 6.4% | 1,146.54 | 1,219.72 | 1,297.44 |

|                      |  |  |      |      |      |   |   |  |      |      |      |
|----------------------|--|--|------|------|------|---|---|--|------|------|------|
| % increase/-decrease |  |  | 0.5% | 9.1% | 7.6% | – | – |  | 6.4% | 6.4% | 6.4% |
|----------------------|--|--|------|------|------|---|---|--|------|------|------|

References

### 1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the draft 2020/21 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a high-level summary of the draft 2020/21 budget and MTREF (classified per main type of operating expenditure):

**Table 11 Summary of operating expenditure by standard classification item**

| Description                     | Adjustment<br>Budget<br>2019/20 | Daft<br>Budget<br>2020/21 | Budget<br>Year +1<br>2021/22 | Budget<br>Year +2<br>2022/23 |
|---------------------------------|---------------------------------|---------------------------|------------------------------|------------------------------|
| <b>R Thousand '000</b>          |                                 |                           |                              |                              |
| Employee related costs          | 550,640                         | 585,055                   | 620,158                      | 657,368                      |
| Remuneration of councillors     | 30,153                          | 32,038                    | 33,960                       | 35,997                       |
| Debt impairment                 | 101,918                         | 101,918                   | 108,033                      | 114,515                      |
| Depreciation & asset impairment | 186,732                         | 190,500                   | 201,930                      | 214,046                      |
| Finance charges                 | 42,423                          | 44,968                    | 47,666                       | 50,526                       |
| Bulk purchases                  | 814,043                         | 866,141                   | 921,574                      | 980,555                      |
| Repairs & Maintenance           | 57,378                          | 60,821                    | 64,470                       | 68,339                       |
| Contracted services             | 66,613                          | 70,610                    | 74,846                       | 79,337                       |
| Other expenditure               | 85,923                          | 85,923                    | 91,079                       | 96,543                       |
| <b>TOTAL</b>                    | <b>1,935,823</b>                | <b>2,037,974</b>          | <b>2,163,717</b>             | <b>2,297,226</b>             |

The draft operating expenditure for the 2020/21 MTREF is estimated at R2, 038 billion which will increase to R2, 164 billion and R2, 297 billion in 2021/22 and 2022/23 respectively. The increase relates mainly to the increase in bulk tariffs for water and electricity as well as expected increase in employee costs. The municipality also requires significant resources to fund infrastructure maintenance

The employee related costs amount to R585 million or 29 per cent of the total operating expenditure for the 2020/21 draft MTREF budget. The employee related costs is estimated using the current salary levels paid to the staff and is projected to increase to R620 million in 2021/22 and R657 million in 2022/23 financial year. The fact that the organisational structure and job evaluation process are not completed pose a significant risk that the budget for salaries might be understated.



The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The remuneration for councillors is estimated to R32 million in the 2020/21 financial year and estimated to increase to R34 million and R 36 million in the two outer years. The increase is estimated at 6.25 per cent.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Rand Water and amounts to R866 million or 42 per cent of total operating expenditure in 2020/21 Draft MTREF budget.

The expenditure is unavoidable and an extreme priority in terms of service delivery and is expected to increase to R922 million in 2021/22 and R981 million in 2022/23 respectively. The main concern remains the substantial loss of revenue suffered by the municipality due to technical and non-technical factors. Concerted efforts should be made to significantly reduce

The depreciation and asset impairment budget amount to R191 million in 2020/21 or 9 per cent of the total operating expenditure. This expenditure item is expected to increase to R202 million or 10 per cent in the 2021/22 financial year and R214 million or 10 per cent in the 2022/23 financial year.

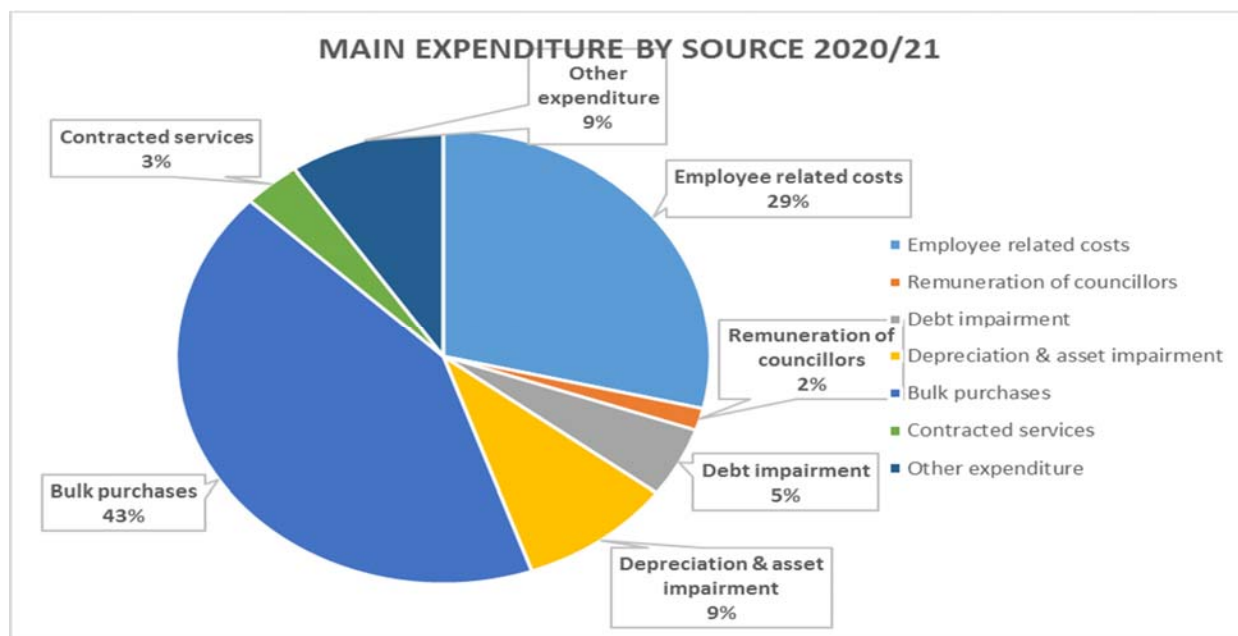
In the 2020/21 financial year the contracted services is estimated to the amount of R71 million, which is mainly made up of the security services, prepaid vending and credit control services. The contracted services expenditure is expected to increase to R75 million and R79 million in the two outer years respectively.

In the 2020/21 financial year, this group of expenditures will be further reviewed to cost efficiencies and the implementation of cost containment measures.

Other expenditure comprises of various line items relating to the daily operations of the municipality which is projected at R 86 million in the 2020/21 financial year and will increase to R91 million and R97 million in the two outer years respectively. This group of expenditures has also been identified as an area in which cost savings and efficiencies can be achieved.

The following figure gives a breakdown of the main expenditure categories for the 2020/21 financial year.

**Figure 2 Main operational expenditure categories for the 2020/21 Financial year**



### 1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the municipality's current infrastructure, the 2020/21 budget and MTREF provide a total amount of R61 million or 3 per cent. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

### 1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services, the households are required to register in terms of the municipality's approved Indigent Policy. Detail relating to free services, cost of free basis services, revenue foregone owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on page 38.

All registered indigents of the Rand West City Local Municipality will receive the following free basic services in the 2020/21 financial year: Full exemption on the payment of property rates; 50 kWh of electricity per 30-day period; 6 kℓ water per 30-day period; free sanitation and refuse removal services.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

### 1.6 Capital expenditure

The capital expenditure over the 2020/21 medium term amounts to R250 million in 2020/21 and is expected to increase to R272.9 million in 2021/22 and decrease to R227 million in the 2022/23 financial year. The three-year capital budget will be funded mainly from government grants due to own revenue constraints as discussed above.

The following table provides a breakdown of budgeted capital expenditure by functional classification or vote:

**Table 12 2020/21 Medium-term capital budget per functional classification**

GT485 Rand West City - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

| Description<br><br>R thousand              | Ref | Budget Year 2020/21 |        |        |         |        |       |         |        |        |        |        |        | Medium Term Revenue and Expenditure Framework |                        |                        |
|--|-----|---------------------|--------|--------|---------|--------|-------|---------|--------|--------|--------|--------|--------|---|------------------------|------------------------|
|  |     | July                | August | Sept.  | October | Nov.   | Dec.  | January | Feb.   | March  | April  | May    | June   | Budget Year 2020/21                           | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <u>Capital Expenditure - Functional</u>    | 1   |                     |        |        |         |        |       |         |        |        |        |        |        |   |                        |                        |
| <i>Governance and administration</i>       |     | -                   | -      | -      | -       | -      | -     | -       | -      | -      | -      | -      | -      | -   | -                      | -                      |
| Executive and council                      |     | -                   | -      | -      | -       | -      | -     | -       | -      | -      | -      | -      | -      | -   | -                      | -                      |
| Finance and administration                 |     | -                   | -      | -      | -       | -      | -     | -       | -      | -      | -      | -      | -      | -   | -                      | -                      |
| Internal audit                             |     | -                   | -      | -      | -       | -      | -     | -       | -      | -      | -      | -      | -      | -   | -                      | -                      |
| <i>Community and public safety</i>         |     | -                   | 142    | 142    | 142     | 142    | 60    | -       | 142    | 142    | 142    | 142    | 507    | 1,700   | -                      | -                      |
| Community and social services              |     | -                   | 142    | 142    | 142     | 142    | 60    | -       | 142    | 142    | 142    | 142    | 507    | 1,700   | -                      | -                      |
| Sport and recreation                       |     | -                   | -      | -      | -       | -      | -     | -       | -      | -      | -      | -      | -      | -   | -                      | -                      |
| Public safety                              |     | -                   | -      | -      | -       | -      | -     | -       | -      | -      | -      | -      | -      | -   | -                      | -                      |
| Housing                                    |     | -                   | -      | -      | -       | -      | -     | -       | -      | -      | -      | -      | -      | -   | -                      | -                      |
| Health                                     |     | -                   | -      | -      | -       | -      | -     | -       | -      | -      | -      | -      | -      | -   | -                      | -                      |
| <i>Economic and environmental services</i> |     | 13,283              | 7,667  | 14,783 | 13,283  | 17,283 | 5,000 | 3,500   | 19,783 | 13,283 | 22,283 | 18,283 | 10,963 | 159,390                                       | 175,970                | 104,418                |
| Planning and development                   |     | 6,115               | -      | 7,615  | 6,115   | 9,115  | 3,000 | 2,000   | 8,615  | 6,115  | 12,115 | 6,115  | 6,461  | 73,383  | 77,419                 | -                      |
| Road transport                             |     | 7,167               | 7,667  | 7,167  | 7,167   | 8,167  | 2,000 | 1,500   | 11,167 | 7,167  | 10,167 | 12,167 | 4,502  | 86,007  | 98,551                 | 104,418                |
| Environmental protection                   |     | -                   | -      | -      | -       | -      | -     | -       | -      | -      | -      | -      | -      | -   | -                      | -                      |
| <i>Trading services</i>                    |     | 5,000               | 5,392  | 7,392  | 10,000  | 10,187 | 5,000 | 3,500   | 7,392  | 9,392  | 9,392  | 11,392 | 4,665  | 88,705  | 97,000                 | 122,360                |
| Energy sources                             |     | 3,500               | 3,187  | 4,187  | 5,000   | 4,187  | 2,000 | 1,500   | 4,187  | 6,187  | 5,187  | 8,187  | 2,935  | 50,245  | 47,000                 | 49,000                 |
| Water management                           |     | -                   | -      | -      | -       | -      | -     | -       | -      | -      | -      | -      | -      | -   | 50,000                 | 73,360                 |

|  |   |        |        |        |        |        |        |        |        |        |        |        |        |         |         |         |
|--|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|
| Waste water management   |   | 1,500  | 2,205  | 3,205  | 5,000  | 6,000  | 3,000  | 2,000  | 3,205  | 3,205  | 4,205  | 3,205  | 1,730  | 38,460  | -       | -       |
| Waste management   |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       |
| Other  |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       |
| Total Capital Expenditure - Functional   | 2 | 18,283 | 13,201 | 22,316 | 23,424 | 27,611 | 10,060 | 7,000  | 27,316 | 22,816 | 31,816 | 29,816 | 16,135 | 249,795 | 272,970 | 226,778 |
| <b>Funded by:</b>  |   |        |        |        |        |        |        |        |        |        |        |        |        |         |         |         |
| National Government  |   | 75,000 | -      | -      | -      | -      | 50,000 | -      | -      | 49,712 | -      | -      | -      | 174,712 | 195,551 | 226,778 |
| Provincial Government  |   | 25,000 | -      | -      | -      | 25,000 | -      | 15,000 | -      | 10,083 | -      | -      | -      | 75,083  | 77,419  | -       |
| District Municipality  |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       |
| Transfers recognised - capital   |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | 249,795 | 272,970 | 226,778 |
| Borrowing  |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       |
| Internally generated funds   |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       |
| Total Capital Funding  |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | 249,795 | 272,970 | 226,778 |

The national capital grant funding for the 2020/21 budget year will amount to R250 million and comprises of the Municipal Infrastructure Grant (MIG), Integrated National Electrification Programme (INEP), Municipal Water Infrastructure Grant (MWIG), Efficiency Energy Demand Management and Human Settlements Development Grant (HSD)

## 1.7 Annual Budget Tables

The section present the ten main budget tables are required in terms of section 8 of the Municipal Budget and Reporting Regulations.

**Table 13 MBRR Table A1 – Budget Summary (continued)**

GT485 Rand West City - Table A1 Budget Summary

| Description<br>R thousands   | 2016/17          | 2017/18          | 2018/19          | Current Year 2019/20 |                  |                    |                   | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|------------------|------------------|------------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
|  | Audited Outcome  | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>Financial Performance</b>   |                  |                  |                  |                      |                  |                    |                   |   |                        |                        |
| Property rates   | 165,070          | 198,611          | 224,396          | 288,520              | 214,520          | 214,520            | 214,520           | 259,616   | 276,231                | 303,855                |
| Service charges  | 821,304          | 928,110          | 1,242,749        | 1,290,959            | 1,206,865        | 1,206,865          | 1,206,865         | 1,304,315   | 1,384,454              | 1,469,517              |
| Investment revenue   | 7,873            | 5,048            | 3,398            | 2,473                | 3,473            | 3,473              | 3,473             | 3,821   | 4,050                  | 4,293                  |
| Transfers recognised - operational                                   | 260,590          | 327,571          | 264,791          | 344,610              | 558,575          | 558,575            | 558,575           | 370,981   | 393,240                | 416,834                |
| Other own revenue  | 82,988           | 102,493          | 99,622           | 98,002               | 90,439           | 90,439             | 90,439            | 100,070   | 108,696                | 118,105                |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>1,337,826</b> | <b>1,561,833</b> | <b>1,834,957</b> | <b>2,024,564</b>     | <b>2,073,872</b> | <b>2,073,872</b>   | <b>2,073,872</b>  | <b>2,038,803</b>                                    | <b>2,166,672</b>       | <b>2,312,604</b>       |
| Employee costs   | 420,564          | 535,677          | 519,095          | 550,640              | 550,640          | 550,640            | 550,640           | 580,797   | 615,644                | 652,583                |
| Remuneration of councillors  | 21,370           | 26,355           | 28,207           | 30,153               | 29,258           | 29,258             | 29,258            | 32,038  | 33,960                 | 35,998                 |
| Depreciation & asset impairment                                      | 221,982          | 201,345          | 178,508          | 231,732              | 186,732          | 186,732            | 186,732           | 190,500   | 201,930                | 214,046                |
| Finance charges  | 65,808           | 61,885           | 28,431           | 42,423               | 42               | 42                 | 42                | 44,968  | 47,666                 | 50,526                 |
| Materials and bulk purchases   | 557,022          | 683,954          | 831,415          | 891,466              | 816,468          | 816,468            | 816,468           | 868,616   | 924,198                | 983,336                |
| Transfers and grants   | 1,500            | 1,590            | 1,590            | 1,590                | 1,590            | 1,590              | 1,590             | –   | –                      | –                      |
| Other expenditure  | 260,848          | 430,218          | 267,493          | 121,918              | 248,343          | 248,343            | 248,343           | 321,055   | 340,319                | 360,737                |
| <b>Total Expenditure</b>   | <b>1,549,095</b> | <b>1,941,025</b> | <b>1,854,739</b> | <b>1,869,922</b>     | <b>1,833,074</b> | <b>1,833,074</b>   | <b>1,833,074</b>  | <b>2,037,974</b>                                    | <b>2,163,717</b>       | <b>2,297,226</b>       |

|  |           |           |           |           |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Surplus/(Deficit)  | (211,269) | (379,192) | (19,782)  | 154,643   | 240,798   | 240,798   | 240,798   | 829       | 2,955     | 15,378    |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)  | 236,367   | 189,749   | 247,194   | –         | –         | –         | –         | 249,795   | 272,970   | 226,778   |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all) | –         | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Surplus/(Deficit) after capital transfers & contributions  | 25,099    | (189,443) | 227,413   | 154,643   | 240,798   | 240,798   | 240,798   | 250,624   | 275,925   | 242,156   |
| Share of surplus/ (deficit) of associate   | –         | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Surplus/(Deficit) for the year   | 25,099    | (189,443) | 227,413   | 154,643   | 240,798   | 240,798   | 240,798   | 250,624   | 275,925   | 242,156   |
| <u>Capital expenditure &amp; funds sources</u>   |           |           |           |           |           |           |           |           |           |           |
| Capital expenditure  | 226,743   | 233,703   | 341,440   | 397,843   | 226,465   | 226,465   | 226,465   | 249,795   | 272,970   | 226,778   |
| Transfers recognised - capital   | 224,195   | 233,703   | 240,485   | 257,343   | 213,811   | 213,811   | 213,811   | 249,795   | 272,970   | 226,778   |
| Borrowing  | –         | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Internally generated funds   | 2,548     | –         | 100,954   | 140,500   | 12,654    | 12,654    | 12,654    | –         | –         | –         |
| Total sources of capital funds   | 226,743   | 233,703   | 341,440   | 397,843   | 226,465   | 226,465   | 226,465   | 249,795   | 272,970   | 226,778   |
| <u>Financial position</u>  |           |           |           |           |           |           |           |           |           |           |
| Total current assets   | 344,763   | 239,900   | 252,362   | 640,569   | 642,783   | 645,150   | 647,975   | 829,963   | 907,188   | 1,026,527 |
| Total non current assets   | 4,021,450 | 4,065,873 | 4,269,226 | 4,604,903 | 4,996,614 | 5,216,555 | 5,436,078 | 5,700,220 | 5,942,466 | 6,207,403 |
| Total current liabilities  | 737,076   | 829,761   | 1,082,772 | 711,486   | 716,246   | 721,310   | 726,697   | 738,265   | 779,745   | 823,717   |
| Total non current liabilities  | 289,555   | 319,980   | 371,307   | 539,650   | 539,650   | 539,650   | 539,650   | 572,029   | 606,351   | 642,732   |

|   |           |           |           |           |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Community wealth/Equity                       | 3,339,583 | 3,156,032 | 3,067,509 | 3,994,336 | 4,383,502 | 4,600,745 | 4,817,705 | 5,219,889 | 5,463,558 | 5,767,481 |
| <u>Cash flows</u>                             |           |           |           |           |           |           |           |           |           |           |
| Net cash from (used) operating                | –         | (227,124) | 11,814    | 567,317   | 201,754   | 567,317   | 44,805    | 683,796   | 735,349   | 730,320   |
| Net cash from (used) investing                | –         | 14,906    | (59,669)  | (293,343) | (1,428)   | (293,343) | 519       | (249,795) | (272,970) | (226,778) |
| Net cash from (used) financing                | –         | (458,598) | (336,180) | (109,164) | (228,465) | (109,164) | (101,722) | –         | (400,000) | (400,000) |
| Cash/cash equivalents at the year end         | –         | 56,008    | 34,192    | 286,730   | 93,782    | (122,711) | (22,206)  | 527,782   | 590,162   | 693,704   |
| <u>Cash backing/surplus reconciliation</u>    |           |           |           |           |           |           |           |           |           |           |
| Cash and investments available                | 140,174   | 43,051    | 30,017    | 32,088    | 34,302    | 36,669    | 39,199    | 527,782   | 590,162   | 693,704   |
| Application of cash and investments           | 608,219   | 559,658   | 819,312   | (127,574) | (221,212) | (188,352) | 157,554   | 137,351   | 149,089   | 161,436   |
| Balance - surplus (shortfall)                 | (468,045) | (516,607) | (789,296) | 159,662   | 255,514   | 225,021   | (118,355) | 390,431   | 441,073   | 532,268   |
| <u>Asset management</u>                       |           |           |           |           |           |           |           |           |           |           |
| Asset register summary (WDV)                  | 3,936,196 | 4,225,876 | 3,871,012 | 4,781,163 | 4,785,598 | 4,785,598 | 4,785,598 | 5,035,394 | 5,308,364 | 5,535,142 |
| Depreciation                                  | 221,982   | 201,345   | 178,508   | 231,732   | 186,732   | 186,732   | 186,732   | 190,500   | 201,930   | 214,046   |
| Renewal and Upgrading of Existing Assets      | –         | 123,652   | 48,785    | 65,910    | 67,357    | 67,357    | 67,357    | 53,007    | –         | –         |
| Repairs and Maintenance                       | 69,891    | 73,568    | 101,194   | 66,969    | 57,378    | 57,378    | 57,378    | 60,821    | 63,198    | 66,990    |
| <u>Free services</u>                          |           |           |           |           |           |           |           |           |           |           |
| Cost of Free Basic Services provided          | 5,294     | 25,874    | 27,829    | –         | –         | –         | –         | –         | –         | –         |
| Revenue cost of free services provided        | 45,918    | 41,111    | 43,742    | –         | –         | –         | –         | –         | –         | –         |
| <u>Households below minimum service level</u> |           |           |           |           |           |           |           |           |           |           |
| Water:  | –         | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Sanitation/sewerage:                          | 1         | 1         | 1         | 1         | 1         | 1         | 2         | 2         | 2         | 2         |
| Energy:                                       | –         | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Refuse:                                       | 16        | 16        | 16        | 11        | 11        | 11        | 23        | 23        | 23        | 24        |

## **Explanatory notes to MBRR Table A1 - Budget Summary**

1. Table A1 is a budget summary and provides a concise overview of the City's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
  - a. The operating surplus (after Total Expenditure) is positive over the MTREF
  - b. Capital expenditure is balanced by capital funding sources, of which:
    - i. Transfers recognized is reflected on the Financial Performance Budget;
    - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
    - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently, Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2020/21, when a small surplus is reflected.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Basic Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs. It is anticipated that by 2020/21 the water backlog will have been very nearly eliminated.



**Table 14 MBRR Table A2 – Budgeted Financial Performance (revenue and expenditure by standard classification)**

GT485 Rand West City - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

| Functional Classification Description<br>R thousand | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b><u>Revenue - Functional</u></b>                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Governance and administration</i>                |     | 426,829         | 502,757         | 531,670         | 688,853              | 585,739         | 585,739            | 574,684   | 620,387                | 679,296                |
| Executive and council                               |     | 38,315          | 33,472          | 25,688          | 10,364               | 10,364          | 10,364             | 54,021  | 58,937                 | 64,359                 |
| Finance and administration                          |     | 388,514         | 469,286         | 505,982         | 671,227              | 568,114         | 568,114            | 512,961   | 553,047                | 605,761                |
| Internal audit                                      |     | –               | –               | –               | 7,262                | 7,262           | 7,262              | 7,702   | 8,403                  | 9,176                  |
| <i>Community and public safety</i>                  |     | 40,162          | 41,656          | 30,490          | 28,914               | 29,690          | 29,690             | 52,090  | 25,498                 | 27,175                 |
| Community and social services                       |     | 6,954           | 23,034          | 22,007          | 26,563               | 26,443          | 26,443             | 29,935  | 1,951                  | 2,146                  |
| Sport and recreation                                |     | 18,083          | –               | –               | –                    | 802             | 802                | 882   | 971                    | 1,068                  |
| Public safety                                       |     | 15,125          | 14,484          | 8,349           | –                    | 93              | 93                 | 21,272  | 22,576                 | 23,962                 |
| Housing   |     | –               | 1,912           | 134             | –                    | –               | –                  | –   | –                      | –                      |
| Health  |     | –               | 2,226           | –               | 2,351                | 2,351           | 2,351              | –   | –                      | –                      |
| <i>Economic and environmental services</i>          |     | 108,233         | 69,010          | 96,655          | 36,133               | 24,620          | 24,620             | 16,434  | 15,080                 | 11,783                 |
| Planning and development                            |     | 86,267          | 69,009          | 96,655          | 34,828               | 24,620          | 24,620             | 16,434  | 15,080                 | 11,783                 |
| Road transport                                      |     | 21,966          | 2               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Environmental protection                            |     | –               | –               | –               | 1,306                | –               | –                  | –   | –                      | –                      |
| <i>Trading services</i>                             |     | 1,004,263       | 1,111,329       | 1,179,117       | 1,508,685            | 1,414,537       | 1,414,537          | 1,395,595   | 1,505,707              | 1,594,351              |
| Energy sources                                      |     | 643,271         | 628,406         | 653,714         | 943,737              | 813,313         | 813,313            | 847,833   | 913,918                | 968,181                |
| Water management                                    |     | 260,136         | 322,361         | 321,181         | 343,445              | 353,954         | 353,954            | 373,088   | 395,730                | 419,763                |
| Waste water management                              |     | 45,810          | 68,247          | 105,232         | 154,895              | 169,963         | 169,963            | 75,734  | 80,278                 | 85,094                 |
| Waste management                                    |     | 55,046          | 92,315          | 98,990          | 66,609               | 77,308          | 77,308             | 98,940  | 115,781                | 121,312                |
| <i>Other</i>  | 4   | –               | 22,491          | 21,010          | 19,322               | 19,285          | 19,285             | –   | –                      | –                      |
| <b>Total Revenue - Functional</b>                   | 2   | 1,579,487       | 1,747,244       | 1,858,942       | 2,281,907            | 2,073,872       | 2,073,872          | 2,038,803   | 2,166,672              | 2,312,604              |
| <b><u>Expenditure - Functional</u></b>              | -   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Governance and administration</i>                |     | 533,028         | 500,003         | 460,844         | 466,060              | 440,785         | 440,785            | 476,392   | 504,976                | 535,275                |
| Executive and council                               |     | 137,782         | 84,105          | 93,505          | 97,401               | 94,206          | 94,206             | 100,293   | 106,311                | 112,689                |
| Finance and administration                          |     | 395,246         | 415,898         | 367,339         | 368,659              | 346,579         | 346,579            | 368,397   | 390,501                | 413,931                |
| Internal audit                                      |     | –               | –               | –               | –                    | –               | –                  | 7,702   | 8,164                  | 8,654                  |

|  |   |           |           |           |           |           |           |           |           |           |
|--|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <i>Community and public safety</i>         |   | 120,853   | 138,030   | 137,142   | 162,440   | 164,457   | 164,457   | 223,115   | 235,923   | 250,078   |
| Community and social services              |   | 60,198    | 32,288    | 39,362    | 50,317    | 49,504    | 49,504    | 78,884    | 83,037    | 88,020    |
| Sport and recreation                       |   | 27,527    | 34,747    | 37,405    | 53,682    | 51,370    | 51,370    | 54,516    | 57,787    | 61,254    |
| Public safety                              |   | 32,202    | 58,334    | 47,960    | 49,413    | 51,664    | 51,664    | 76,533    | 81,125    | 85,993    |
| Housing                                    |   | –         | 2,174     | 1,752     | –         | 2,893     | 2,893     | 3,104     | 3,290     | 3,487     |
| Health                                     |   | 926       | 10,487    | 10,663    | 9,028     | 9,026     | 9,026     | 10,079    | 10,683    | 11,324    |
| <i>Economic and environmental services</i> |   | 106,546   | 150,159   | 317,730   | 168,685   | 169,612   | 169,612   | 133,135   | 141,012   | 149,941   |
| Planning and development                   |   | 53,204    | 57,255    | 78,512    | 74,130    | 62,498    | 62,498    | 35,706    | 37,848    | 40,119    |
| Road transport                             |   | 51,767    | 61,159    | 205,953   | 92,550    | 102,523   | 102,523   | 97,429    | 103,164   | 109,822   |
| Environmental protection                   |   | 1,575     | 31,745    | 33,266    | 2,004     | 4,592     | 4,592     | –         | –         | –         |
| <i>Trading services</i>                    |   | 788,668   | 1,132,923 | 1,022,367 | 1,267,441 | 1,132,357 | 1,132,357 | 1,205,331 | 1,281,806 | 1,361,933 |
| Energy sources                             |   | 483,655   | 725,735   | 595,123   | 788,061   | 703,119   | 703,119   | 744,204   | 791,950   | 841,555   |
| Water management                           |   | 230,718   | 268,943   | 283,994   | 351,208   | 322,319   | 322,319   | 354,294   | 376,614   | 400,341   |
| Waste water management                     |   | 32,167    | 71,729    | 56,859    | 54,657    | 42,822    | 42,822    | 41,655    | 44,154    | 46,803    |
| Waste management                           |   | 42,128    | 66,516    | 86,390    | 73,515    | 64,097    | 64,097    | 65,177    | 69,088    | 73,233    |
| <i>Other</i>                               | 4 | –         | 14,762    | 13,744    | 21,359    | 21,359    | 21,359    | –         | –         | –         |
| Total Expenditure - Functional             | 3 | 1,549,095 | 1,935,879 | 1,951,827 | 2,085,984 | 1,928,570 | 1,928,570 | 2,037,974 | 2,163,717 | 2,297,226 |
| Surplus/(Deficit) for the year             |   | 30,393    | (188,635) | (92,886)  | 195,923   | 145,302   | 145,302   | 828       | 2,955     | 15,377    |

References**Explanatory notes to MBRR Table A2 - Budget Summary**

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of those functional areas which enables the National Treasury to compile whole of government reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for all trading services. As already noted above, the municipality will be undertaking a detailed study of this functions to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenue and other revenue sources reflected under the Corporate Services.

**Tables 15 MBRR Table A3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)**

GT485 Rand West City - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

| Vote Description                                | Ref      | 2016/17          | 2017/18          | 2018/19          | Current Year 2019/20 |                  |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|----------|------------------|------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|   |          | Audited Outcome  | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>R thousand</b>                               |          |                  |                  |                  |                      |                  |                    |   |                        |                        |
| <b>Revenue by Vote</b>                          | <b>1</b> |                  |                  |                  |                      |                  |                    |   |                        |                        |
| Vote 1 - MUNICIPAL MANAGEMENT OFFICE            |          | –                | –                | –                | –                    | –                | –                  | 9,019   | 9,840                  | 10,745                 |
| Vote 2 - INFRASTRUCTURE SERVICES                |          | 1,072,903        | 1,022,668        | 1,082,845        | 1,445,500            | 1,341,788        | 1,341,788          | 1,296,654   | 1,389,925              | 1,473,039              |
| Vote 3 - COMMUNITY SERVICES                     |          | 122,987          | 155,120          | 150,852          | 115,819              | 126,251          | 126,251            | 151,030   | 141,279                | 148,487                |
| Vote 4 - ECONOMIC DEVELOPMENT and PLANNING      |          | 15,369           | 64,786           | 93,441           | 15,464               | 5,128            | 5,128              | 5,707   | 3,560                  | 3,916                  |
| Vote 5 - GOVERNANCE and TRANSFORMATION SERVICES |          | –                | 12,000           | 1,000            | 17,745               | 17,745           | 17,745             | 70,540  | 76,777                 | 80,766                 |
| Vote 6 - FINANCIAL MANAGEMENT SERVICES          |          | 323,180          | 470,437          | 505,022          | 644,010              | 539,959          | 539,959            | 366,611   | 393,377                | 432,149                |
| Vote 7 - CORPORATE SUPPORT SERVICES             |          | 6,875            | 760              | 1,093            | 21,049               | 20,681           | 20,681             | 61,024  | 66,580                 | 72,707                 |
| Vote 8 - CHIEF INFORMATION OFFICER              |          | 38,174           | –                | –                | 10,532               | 10,532           | 10,532             | 25,513  | 27,834                 | 28,005                 |
| Vote 9 - INTERNAL AUDITING                      |          | –                | –                | –                | 7,262                | 7,262            | 7,262              | 7,702   | 8,403                  | 9,176                  |
| Vote 10 - POLITICAL OFFICE and IGR              |          | –                | 21,472           | 24,688           | 4,527                | 4,527            | 4,527              | 45,002  | 49,097                 | 53,614                 |
| Vote 11 - [NAME OF VOTE 11]                     |          | –                | –                | –                | –                    | –                | –                  | –   | –                      | –                      |
| Vote 12 - [NAME OF VOTE 12]                     |          | –                | –                | –                | –                    | –                | –                  | –   | –                      | –                      |
| Vote 13 - [NAME OF VOTE 13]                     |          | –                | –                | –                | –                    | –                | –                  | –   | –                      | –                      |
| Vote 14 - [NAME OF VOTE 14]                     |          | –                | –                | –                | –                    | –                | –                  | –   | –                      | –                      |
| Vote 15 - [NAME OF VOTE 15]                     |          | –                | –                | –                | –                    | –                | –                  | –   | –                      | –                      |
| <b>Total Revenue by Vote</b>                    | <b>2</b> | <b>1,579,487</b> | <b>1,747,244</b> | <b>1,858,942</b> | <b>2,281,907</b>     | <b>2,073,872</b> | <b>2,073,872</b>   | <b>2,038,803</b>                                    | <b>2,166,672</b>       | <b>2,312,604</b>       |
| <b>Expenditure by Vote to be appropriated</b>   | <b>1</b> |                  |                  |                  |                      |                  |                    |   |                        |                        |
| Vote 1 - MUNICIPAL MANAGEMENT OFFICE            |          | 8,833            | 5,895            | 10,787           | 8,622                | 8,612            | 8,612              | 9,019   | 9,560                  | 10,134                 |
| Vote 2 - INFRASTRUCTURE SERVICES                |          | 969,642          | 1,120,956        | 1,125,155        | 1,285,887            | 1,169,294        | 1,169,294          | 1,243,426   | 1,322,077              | 1,405,086              |
| Vote 3 - COMMUNITY SERVICES                     |          | 202,310          | 245,117          | 276,551          | 291,387              | 276,090          | 276,090            | 265,476   | 281,404                | 298,289                |

|   |   |           |           |           |           |           |           |           |           |           |
|---|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Vote 4 - ECONOMIC DEVELOPMENT and PLANNING      |   | 66,124    | 25,878    | 31,676    | 25,085    | 20,657    | 20,657    | 24,874    | 26,367    | 24,810    |
| Vote 5 - GOVERNANCE and TRANSFORMATION SERVICES |   | 12,673    | 11,732    | 11,877    | 17,745    | 16,922    | 16,922    | 16,708    | 17,710    | 18,773    |
| Vote 6 - FINANCIAL MANAGEMENT SERVICES          |   | 100,803   | 313,148   | 247,372   | 203,121   | 195,288   | 195,288   | 195,191   | 206,901   | 222,455   |
| Vote 7 - CORPORATE SUPPORT SERVICES             |   | 74,558    | 117,929   | 135,036   | 130,615   | 126,570   | 126,570   | 158,776   | 167,723   | 177,787   |
| Vote 8 - CHIEF INFORMATION OFFICER              |   | 18,526    | 19,222    | 21,956    | 40,779    | 34,559    | 34,559    | 25,528    | 27,060    | 28,683    |
| Vote 9 - INTERNAL AUDITING                      |   | 3,411     | 3,928     | 3,976     | 7,262     | 7,252     | 7,252     | 7,702     | 8,164     | 8,654     |
| Vote 10 - POLITICAL OFFICE and IGR              |   | 90,715    | 72,882    | 78,391    | 82,942    | 80,577    | 80,577    | 91,274    | 96,750    | 102,555   |
| Vote 11 - [NAME OF VOTE 11]                     |   | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| Vote 12 - [NAME OF VOTE 12]                     |   | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| Vote 13 - [NAME OF VOTE 13]                     |   | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| Vote 14 - [NAME OF VOTE 14]                     |   | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| Vote 15 - [NAME OF VOTE 15]                     |   | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| Total Expenditure by Vote                       | 2 | 1,547,595 | 1,936,686 | 1,942,777 | 2,093,446 | 1,935,823 | 1,935,823 | 2,037,974 | 2,163,717 | 2,297,226 |
| Surplus/(Deficit) for the year                  | 2 | 31,893    | (189,443) | (83,835)  | 188,461   | 138,049   | 138,049   | 829       | 2,955     | 15,378    |

References

**Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the City. This means it is possible to present the operating surplus or deficit of a vote.

**Table 16 MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure)**

**GT485 Rand West City - Table A4 Budgeted Financial Performance (revenue and expenditure)**

| Description                           | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    |                   | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---------------------------------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|                                       |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>Revenue By Source</b>              |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Property rates                        | 2   | 165,070         | 198,611         | 188,203         | 288,520              | 224,520         | 224,520            | 224,520           | 259,616   | 276,231                | 303,855                |
| Service charges - electricity revenue | 2   | 501,127         | 556,116         | 569,323         | 837,951              | 707,358         | 707,358            | 707,358           | 782,887   | 831,740                | 883,640                |
| Service charges - water revenue       | 2   | 226,539         | 285,777         | 289,658         | 331,744              | 340,386         | 340,386            | 340,386           | 362,814   | 384,583                | 407,658                |
| Service charges - sanitation revenue  | 2   | 45,810          | 49,113          | 83,178          | 55,886               | 73,042          | 73,042             | 73,042            | 77,716  | 82,379                 | 87,321                 |
| Service charges - refuse revenue      | 2   | 53,122          | 73,310          | 77,134          | 65,379               | 76,079          | 76,079             | 76,079            | 80,898  | 85,752                 | 90,898                 |

|   |      |           |           |           |           |           |           |           |           |           |           |
|---|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Rental of facilities and equipment  |      | 1,051     | 537       | 2,123     | 2,222     | 1,604     | 1,604     | 1,604     | 1,764     | 1,941     | 2,135     |
| Interest earned - external investments  |      | 7,873     | 30,703    | 38,575    | 2,473     | 3,473     | 3,473     | 3,473     | 3,821     | 4,050     | 4,293     |
| Interest earned - outstanding debtors   |      | 12,624    | (12,834)  | (14,184)  | 37,886    | 37,886    | 37,886    | 37,886    | 41,675    | 45,842    | 50,426    |
| Dividends received  |      | –         | 25        | 73        | 53        | 53        | 53        | 53        | 56        | 60        | 63        |
| Fines, penalties and forfeits   |      | 15,125    | 14,939    | 8,141     | 12,599    | 12,599    | 12,599    | 12,599    | 13,859    | 14,690    | 15,573    |
| Licences and permits  |      | –         | 22,122    | 20,611    | 106       | 106       | 106       | 106       | 116       | 123       | 131       |
| Agency services   |      | 20,033    | –         | –         | 18,599    | 18,599    | 18,599    | 18,599    | 20,459    | 21,687    | 22,988    |
| Transfers and subsidies   |      | 260,590   | 322,191   | 438,136   | 344,610   | 341,674   | 341,674   | 341,674   | 370,981   | 393,240   | 416,834   |
| Other revenue   | 2    | 18,764    | 27,370    | 30,339    | 26,536    | 19,592    | 19,592    | 19,592    | 22,140    | 24,354    | 26,789    |
| Gains   |      | 15,391    | (14,711)  | (30,343)  | –         | –         | –         | –         | –         | –         | –         |
| Total Revenue (excluding capital transfers and contributions)                                 |      | 1,343,120 | 1,553,268 | 1,700,967 | 2,024,564 | 1,856,971 | 1,856,971 | 1,856,971 | 2,038,803 | 2,166,672 | 2,312,604 |
| <b>Expenditure By Type</b>  | -    |           |           |           |           |           |           |           |           |           |           |
| Employee related costs  | 2    | 420,564   | 521,237   | 526,999   | 546,659   | 570,595   | 570,595   | 570,595   | 580,797   | 615,644   | 652,583   |
| Remuneration of councillors   |      | 21,370    | 26,443    | 26,759    | 30,153    | 6,190     | 6,190     | 6,190     | 32,038    | 33,960    | 35,998    |
| Debt impairment   | 3    | 71,789    | 163,382   | 98,329    | 121,918   | 101,918   | 101,918   | 101,918   | 101,918   | 108,033   | 114,515   |
| Depreciation & asset impairment   | 2    | 221,982   | 213,416   | 183,162   | 231,732   | 159,968   | 159,968   | 159,968   | 190,500   | 201,930   | 214,046   |
| Finance charges   |      | 65,808    | 38,141    | 47,689    | 42,423    | 42,423    | 42,423    | 42,423    | 44,968    | 47,666    | 50,526    |
| Bulk purchases  | 2    | 557,022   | 683,954   | 727,102   | 849,043   | 814,043   | 814,043   | 814,043   | 866,141   | 921,574   | 980,555   |
| Other materials   | 8    |           | 5,838     | 1,160     | 3,584     | 2,425     | 2,425     | 2,425     | 2,475     | 2,623     | 2,780     |
| Contracted services   |      | 41,417    | 153,990   | 183,041   | 163,483   | 137,525   | 137,525   | 137,525   | 131,431   | 139,317   | 147,676   |
| Transfers and subsidies   |      | –         | 4,415     | –         | –         | –         | –         | –         | –         | –         | –         |
| Other expenditure   | 4, 5 | 147,643   | 120,856   | 153,232   | 104,451   | 100,736   | 100,736   | 100,736   | 87,706    | 92,969    | 98,546    |
| Losses  |      | –         | 5,014     | (4,697)   | –         | –         | –         | –         | –         | –         | –         |
| Total Expenditure   |      | 1,547,595 | 1,936,686 | 1,942,777 | 2,093,446 | 1,935,823 | 1,935,823 | 1,935,823 | 2,037,974 | 2,163,717 | 2,297,226 |
| Surplus/(Deficit)   |      | (204,475) | (383,418) | (241,810) | (68,882)  | (78,852)  | (78,852)  | (78,852)  | 829       | 2,955     | 15,378    |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) |      | 236,367   | 193,975   | 157,975   | 257,343   | 226,465   | 226,465   | 226,465   | –         | –         | –         |

|  |   |        |           |          |         |         |         |         |     |       |        |
|--|---|--------|-----------|----------|---------|---------|---------|---------|-----|-------|--------|
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | 6 | -      | -         | -        | -       | -       | -       | -       | -   | -     | -      |
| Transfers and subsidies - capital (in-kind - all)  |   | -      | -         | -        | -       | (9,564) | (9,564) | (9,564) | -   | -     | -      |
| Surplus/(Deficit) after capital transfers & contributions  |   | 31,893 | (189,443) | (83,835) | 188,461 | 138,049 | 138,049 | 138,049 | 829 | 2,955 | 15,378 |
| Taxation   |   | -      | -         | -        | -       | -       | -       | -       | -   | -     | -      |
| Surplus/(Deficit) after taxation   |   | 31,893 | (189,443) | (83,835) | 188,461 | 138,049 | 138,049 | 138,049 | 829 | 2,955 | 15,378 |
| Attributable to minorities   |   | -      | -         | -        | -       | -       | -       | -       | -   | -     | -      |
| Surplus/(Deficit) attributable to municipality   |   | 31,893 | (189,443) | (83,835) | 188,461 | 138,049 | 138,049 | 138,049 | 829 | 2,955 | 15,378 |
| Share of surplus/(deficit) of associate  | 7 | -      | -         | -        | -       | -       | -       | -       | -   | -     | -      |
| Surplus/(Deficit) for the year   |   | 31,893 | (189,443) | (83,835) | 188,461 | 138,049 | 138,049 | 138,049 | 829 | 2,955 | 15,378 |

References

**Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)**

1. Total revenue is R2.038 billion in 2020/21. This escalates to R2,167 billion by 2021/22 and R2.312 billion in 2022/23 financial year.
2. Revenue to be generated from property rates is R260 million in the 2020/21 financial year. This increases to R276 million by 2021/22 and R304 million in 2022/23 financial year. Property rates represents 13 per cent of the operating revenue base of the municipality and therefore remains a significant funding source for the municipality. It remains relatively constant over the medium-term and tariff increases have been factored in at an average of 6,4 per cent over the respective financial years of the MTREF.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R1.3 billion for the 2020/21 financial year. This increasing to R1.4 billion by 2021/22 and R 1.5 billion in 2022/23 financial year. For the 2020/21 financial year services charges amount to 64 per cent of the total revenue base and grows by 12.3 per cent per annum over the medium-term. This growth can mainly be attributed to the increase in the bulk prices of electricity and water.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF by 18 per cent and 9.6 per cent for the two outer years. The percentage share of this revenue source is on average 18.4 per cent of total operating revenue.

**Table 17 MBRR Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source**

| Vote Description<br><br>R thousand   | Re<br>f | 2016/17                | 2017/18                | 2018/19                | Current Year 2019/20       |                        |                              |                              | 2020/21 Medium Term<br>Revenue & Expenditure<br>Framework |                                      |                                      |
|--|---------|------------------------|------------------------|------------------------|----------------------------|------------------------|------------------------------|------------------------------|---|--------------------------------------|--------------------------------------|
|  |         | Audited<br>Outcom<br>e | Audited<br>Outcom<br>e | Audited<br>Outcom<br>e | Origin<br>al<br>Budge<br>t | Adjuste<br>d<br>Budget | Full<br>Year<br>Foreca<br>st | Pre-<br>audit<br>outcom<br>e | Budge<br>t Year<br>2020/2<br>1                            | Budge<br>t Year<br>+1<br>2021/2<br>2 | Budge<br>t Year<br>+2<br>2022/2<br>3 |
| <u>Capital expenditure - Vote</u><br><u>Multi-year expenditure to be</u><br><u>appropriated</u><br>Vote 1 - MUNICIPAL<br>MANAGEMENT OFFICE | 2       | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 2 - INFRASTRUCTURE<br>SERVICES  |         | 124,427                | 187,779                | 297,917                | 307,791                    | 176,597                | 176,597                      | 176,597                      | 170,712   | 190,551                              | 219,778                              |
| Vote 3 - COMMUNITY<br>SERVICES   |         | -                      | 24,461                 | 13,258                 | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 4 - ECONOMIC<br>DEVELOPMENT and<br>PLANNING   |         | 68,198                 | -                      | -                      | 73,383                     | 33,383                 | 33,383                       | 33,383                       | 73,383  | 77,419                               | -                                    |
| Vote 5 - GOVERNANCE and<br>TRANSFORMATION SERVICES   |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 6 - FINANCIAL<br>MANAGEMENT SERVICES  |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 7 - CORPORATE<br>SUPPORT SERVICES   |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 8 - CHIEF<br>INFORMATION OFFICER  |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 9 - INTERNAL<br>AUDITING  |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 10 - POLITICAL OFFICE<br>and IGR  |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 11 - [NAME OF VOTE<br>11]   |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 12 - [NAME OF VOTE<br>12]   |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 13 - [NAME OF VOTE<br>13]   |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 14 - [NAME OF VOTE<br>14]   |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 15 - [NAME OF VOTE<br>15]   |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Capital multi-year expenditure<br>sub-total  | 7       | 192,625                | 212,240                | 311,175                | 381,174                    | 209,980                | 209,980                      | 209,980                      | 244,095   | 267,970                              | 219,778                              |
| <u>Single-year expenditure to be</u><br><u>appropriated</u><br>Vote 1 - MUNICIPAL<br>MANAGEMENT OFFICE                                     | 2       | -                      | 10,920                 | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 2 - INFRASTRUCTURE<br>SERVICES  |         | 8,060                  | -                      | 23,813                 | 11,097                     | 1,927                  | 1,927                        | 1,927                        | 4,000   | 5,000                                | 7,000                                |
| Vote 3 - COMMUNITY<br>SERVICES   |         | 5,958                  | 8,847                  | 1,607                  | 1,800                      | 1,800                  | 1,800                        | 1,800                        | 1,700   | -                                    | -                                    |
| Vote 4 - ECONOMIC<br>DEVELOPMENT and<br>PLANNING   |         | 17,049                 | 1,697                  | 4,292                  | -                          | 5,954                  | 5,954                        | 5,954                        | -   | -                                    | -                                    |
| Vote 5 - GOVERNANCE and<br>TRANSFORMATION SERVICES   |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |
| Vote 6 - FINANCIAL<br>MANAGEMENT SERVICES  |         | -                      | -                      | -                      | -                          | -                      | -                            | -                            | -   | -                                    | -                                    |

|  |         |         |         |         |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Vote 7 - CORPORATE SUPPORT SERVICES        | 3,051   | –       | –       | 3,000   | 6,000   | 6,000   | 6,000   | –       | –       | –       |
| Vote 8 - CHIEF INFORMATION OFFICER         | –       | –       | 552     | 772     | 804     | 804     | 804     | –       | –       | –       |
| Vote 9 - INTERNAL AUDITING                 | –       | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| Vote 10 - POLITICAL OFFICE and IGR         | –       | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| Vote 11 - [NAME OF VOTE 11]                | –       | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| Vote 12 - [NAME OF VOTE 12]                | –       | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| Vote 13 - [NAME OF VOTE 13]                | –       | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| Vote 14 - [NAME OF VOTE 14]                | –       | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| Vote 15 - [NAME OF VOTE 15]                | –       | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| Capital single-year expenditure sub-total  | 34,118  | 21,463  | 30,265  | 16,669  | 16,485  | 16,485  | 16,485  | 5,700   | 5,000   | 7,000   |
| Total Capital Expenditure - Vote           | 226,743 | 233,703 | 341,440 | 397,843 | 226,465 | 226,465 | 226,465 | 249,795 | 272,970 | 226,778 |
| <b>Capital Expenditure - Functional</b>    |         |         |         |         |         |         |         |         |         |         |
| <i>Governance and administration</i>       | 3,051   | 2,396   | –       | –       | –       | –       | –       | –       | –       | –       |
| Executive and council                      | –       | –       | –       |         |         |         |         |         |         |         |
| Finance and administration                 | 3,051   | –       | –       |         |         |         |         |         |         |         |
| Internal audit                             | –       | 2,396   | –       |         |         |         |         |         |         |         |
| <i>Community and public safety</i>         | 5,958   | 31,770  | 19,157  | 3,000   | 8,706   | 8,706   | 8,706   | 1,700   | –       | –       |
| Community and social services              | 5,958   | 31,770  | 1,607   | 1,800   | 1,800   | 1,800   | 1,800   | 1,700   | –       | –       |
| Sport and recreation                       | –       | –       | 13,258  | 1,200   | 953     | 953     | 953     |         |         |         |
| Public safety                              | –       | –       | 4,292   | –       | 5,954   | 5,954   | 5,954   |         |         |         |
| Housing                                    |         |         |         |         |         |         |         |         |         |         |
| Health                                     |         |         |         |         |         |         |         |         |         |         |
| <i>Economic and environmental services</i> | 92,941  | 92,101  | 60,234  | 76,300  | 81,996  | 81,996  | 81,996  | 159,390 | 175,970 | 104,418 |
| Planning and development                   | 85,247  | –       | –       |         |         |         |         | 73,383  | 77,419  | –       |
| Road transport                             | 7,694   | 92,101  | 60,234  | 76,300  | 81,996  | 81,996  | 81,996  | 86,007  | 98,551  | 104,418 |
| Environmental protection                   | –       | –       |         |         |         |         |         |         |         |         |
| <i>Trading services</i>                    | 124,793 | 107,435 | 261,774 | 314,771 | 128,958 | 128,958 | 128,958 | 88,705  | 97,000  | 122,360 |
| Energy sources                             | 33,583  | 35,297  | 161,392 | 169,400 | 27,527  | 27,527  | 27,527  | 50,245  | 47,000  | 49,000  |
| Water management                           | 82,214  | –       | 81,327  | 78,762  | 74,664  | 74,664  | 74,664  | –       | 50,000  | 73,360  |
| Waste water management                     | –       | 72,139  | 19,054  | 66,610  | 26,767  | 26,767  | 26,767  | 38,460  | –       | –       |
| Waste management                           | 8,997   | –       |         |         |         |         |         |         |         |         |



|  |   |         |         |         |         |         |         |         |         |         |         |
|--|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <i>Other</i>   |   | –       | –       | 275     | 3,772   | 6,804   | 6,804   | 6,804   |         |         |         |
| Total Capital Expenditure - Functional   | 3 | 226,743 | 233,703 | 341,440 | 397,843 | 226,465 | 226,465 | 226,465 | 249,795 | 272,970 | 226,778 |
| <b>Funded by:</b>  |   |         |         |         |         |         |         |         |         |         |         |
| National Government  |   | 201,237 | 164,082 | 153,450 | 182,160 | 178,628 | 178,628 | 178,628 | 174,712 | 195,551 | 226,778 |
| Provincial Government  |   | 22,958  | 69,621  | 87,035  | 75,183  | 35,183  | 35,183  | 35,183  | 75,083  | 77,419  |         |
| District Municipality  |   | –       | –       | –       | –       | –       | –       | –       |         |         |         |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) |   | –       | –       | –       | –       | –       | –       | –       |         |         |         |
| Transfers recognised - capital   | 4 | 224,195 | 233,703 | 240,485 | 257,343 | 213,811 | 213,811 | 213,811 | 249,795 | 272,970 | 226,778 |
| Borrowing  | 6 |         |         |         |         |         |         |         |         |         |         |
| Internally generated funds   |   | 2,548   | –       | 100,954 | 140,500 | 12,654  | 12,654  | 12,654  |         |         |         |
| Total Capital Funding  | 7 | 226,743 | 233,703 | 341,440 | 397,843 | 226,465 | 226,465 | 226,465 | 249,795 | 272,970 | 226,778 |

#### Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

- Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
- The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2020/21 R250 million has been allocated. This allocation increases to R273 million in 2021/22 and then flattens out to R227 million in the 2022/23 financial year.
- Single-year capital expenditure has been appropriated at R250 million for the 2020/21 financial year. This increases to R273 million in 2021/22 and then decreases to R227 million in 2022/23 financial year.
- Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
- The capital programme is funded from only capital and provincial grants and transfer. For 2020/21, capital transfers from national government totals R175 million (70 per cent). This slightly escalates to R196 million by

2021/22 (72 per cent) and R227 million in 2022/23 financial year. The capital budget will be fully funded from capital grants over MTREF with an anticipated review of the capital funding mix to be undertaken during the preparation of the 2020/21 MTREF. This review of the funding sources will determine whether the municipality can create additional financing capacity for capital investments from borrowings and internally generated revenue over the next 3 to 5 years as part of the financial recovery plan.

**Table 18 MBRR Table A6 – Budgeted Financial Position**

**GT485 Rand West City - Table A6 Budgeted Financial Position**

| Description                              | Ref | 2016/17          | 2017/18          | 2018/19          | Current Year 2019/20 |                  |                    |                   | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|------------------|------------------|------------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
|  |     | Audited Outcome  | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| R thousand                               |     |                  |                  |                  |                      |                  |                    |                   |   |                        |                        |
| <b>ASSETS</b>                            |     |                  |                  |                  |                      |                  |                    |                   |   |                        |                        |
| Current assets                           |     |                  |                  |                  |                      |                  |                    |                   |   |                        |                        |
| Cash                                     |     | 127,943          | 43,051           | 30,017           | 32,088               | 34,302           | 36,669             | 39,199            | 227,782   | 290,162                | 393,704                |
| Call investment deposits                 | 1   | –                | –                | –                | –                    | –                | –                  | –                 | –   | –                      | –                      |
| Consumer debtors                         | 1   | 211,862          | 191,665          | 218,018          | 603,877              | 603,877          | 603,877            | 603,877           | 231,971   | 246,817                | 262,613                |
| Other debtors                            |     | 786              | 967              | 907              | 965                  | 965              | 965                | 1,026             | 64,229  | 64,229                 | 64,229                 |
| Current portion of long-term receivables |     | 1,436            | 1,308            | 669              | 712                  | 712              | 712                | 758               | 1,626   | 1,626                  | 1,626                  |
| Inventory                                | 2   | 2,736            | 2,909            | 2,751            | 2,928                | 2,928            | 2,928              | 3,115             | 4,355   | 4,355                  | 4,355                  |
| <b>Total current assets</b>              |     | <b>344,763</b>   | <b>239,900</b>   | <b>252,362</b>   | <b>640,569</b>       | <b>642,783</b>   | <b>645,150</b>     | <b>647,975</b>    | <b>529,963</b>                                      | <b>607,188</b>         | <b>726,527</b>         |
| Non current assets                       |     |                  |                  |                  |                      |                  |                    |                   |   |                        |                        |
| Long-term receivables                    |     | 1,261            | 1,049            | 448              | 448                  | 448              | 448                | 448               | 1,428   | 1,428                  | 1,428                  |
| Investments                              |     | 12,231           | –                | –                | –                    | –                | –                  | –                 | –   | –                      | –                      |
| Investment property                      |     | 220,778          | 239,590          | 246,132          | 246,132              | 246,132          | 246,132            | 246,132           | 290,134   | 290,134                | 290,134                |
| Investment in Associate                  |     | –                | –                | –                | –                    | –                | –                  | –                 | –   | –                      | –                      |
| Property, plant and equipment            | 3   | 3,773,915        | 3,811,719        | 4,010,513        | 4,346,190            | 4,737,901        | 4,957,842          | 5,177,364         | 5,396,443   | 5,638,379              | 5,902,988              |
| Biological                               |     | 629              | 615              | 528              | 528                  | 528              | 528                | 528               | 705   | 705                    | 705                    |
| Intangible                               |     | 8,351            | 8,615            | 7,339            | 7,339                | 7,339            | 7,339              | 7,339             | 6,681   | 6,681                  | 6,681                  |
| Other non-current assets                 |     | 4,284            | 4,284            | 4,266            | 4,266                | 4,266            | 4,266              | 4,266             | 4,830   | 5,139                  | 5,139                  |
| <b>Total non current assets</b>          |     | <b>4,021,450</b> | <b>4,065,873</b> | <b>4,269,226</b> | <b>4,604,903</b>     | <b>4,996,614</b> | <b>5,216,555</b>   | <b>5,436,078</b>  | <b>5,700,220</b>                                    | <b>5,942,466</b>       | <b>6,207,074</b>       |

|                               |   |           |           |           |           |           |           |           |           |           |           |
|-------------------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| TOTAL ASSETS                  |   | 4,366,214 | 4,305,773 | 4,521,588 | 5,245,472 | 5,639,398 | 5,861,705 | 6,084,052 | 6,230,183 | 6,549,654 | 6,933,601 |
| LIABILITIES                   |   |           |           |           |           |           |           |           |           |           |           |
| Current liabilities           | - |           |           |           |           |           |           |           |           |           |           |
| Bank overdraft                | 1 | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| Borrowing                     | 4 | 14,028    | 1,429     | -         | 105,561   | 105,561   | 105,561   | 105,561   | 111,895   | 118,609   | 125,726   |
| Consumer deposits             |   | 42,349    | 61,048    | 56,667    | 60,294    | 64,153    | 68,258    | 72,627    | 47,944    | 47,944    | 47,944    |
| Trade and other payables      | 4 | 677,865   | 755,290   | 1,012,882 | 531,562   | 531,562   | 531,562   | 531,562   | 563,456   | 597,264   | 633,100   |
| Provisions                    |   | 2,834     | 11,994    | 13,223    | 14,070    | 14,970    | 15,928    | 16,948    | 14,970    | 15,928    | 16,948    |
| Total current liabilities     |   | 737,076   | 829,761   | 1,082,772 | 711,486   | 716,246   | 721,310   | 726,697   | 738,265   | 779,745   | 823,717   |
| Non current liabilities       |   |           |           |           |           |           |           |           |           |           |           |
| Borrowing                     |   | 2,338     | -         | -         | 136,800   | 136,800   | 136,800   | 136,800   | -         | -         | -         |
| Provisions                    |   | 287,217   | 319,070   | 342,092   | 402,850   | 402,850   | 402,850   | 402,850   | 427,021   | 452,643   | 479,802   |
| Total non current liabilities |   | 289,555   | 319,070   | 342,092   | 539,650   | 539,650   | 539,650   | 539,650   | 427,021   | 452,643   | 479,802   |
| TOTAL LIABILITIES             |   | 1,026,631 | 1,148,832 | 1,424,864 | 1,251,136 | 1,255,896 | 1,260,960 | 1,266,347 | 1,165,286 | 1,232,388 | 1,303,518 |
| NET ASSETS                    | 5 | 3,339,583 | 3,156,941 | 3,096,724 | 3,994,336 | 4,383,502 | 4,600,745 | 4,817,705 | 5,064,897 | 5,317,266 | 5,630,083 |
| COMMUNITY WEALTH/EQUITY       |   |           |           |           |           |           |           |           |           |           |           |
| Accumulated Surplus/(Deficit) |   | 3,337,912 | 3,155,270 | 3,095,053 | 3,992,665 | 4,381,831 | 4,599,074 | 4,816,034 | 5,063,126 | 5,315,389 | 5,628,093 |
| Reserves                      | 4 | 1,671     | 1,671     | 1,671     | 1,671     | 1,671     | 1,671     | 1,671     | 1,771     | 1,877     | 1,990     |
| TOTAL COMMUNITY WEALTH/EQUITY | 5 | 3,339,583 | 3,156,941 | 3,096,724 | 3,994,336 | 4,383,502 | 4,600,745 | 4,817,705 | 5,064,897 | 5,317,266 | 5,630,083 |

## Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understanding for councillors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is

**Table 19 MBRR Table A7 – Budgeted Cash Flow Statement**

GT485 Rand West City - Table  
A7 Budgeted Cash Flows

| Description                               | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    |                   | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| CASH FLOW FROM OPERATING ACTIVITIES       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Receipts                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Property rates                            |     | –               | 195,891         | 168,825         | 261,402              | 314,284         | 261,402            | 112,053           | 282,981   | 301,092                | 331,202                |
| Service charges                           |     | –               | 732,278         | 931,303         | 1,327,439            | 1,274,474       | 1,327,439          | 619,007           | 1,421,703   | 1,509,055              | 1,601,774              |
| Other revenue                             |     | –               | (192,815)       | (141,748)       | (51,749)             | 30,406          | (51,749)           | (57,971)          | 58,339  | 62,795                 | 67,615                 |
| Transfers and Subsidies - Operational     | 1   | –               | 322,191         | 438,136         | 344,610              | 341,674         | 344,610            | 232,473           | 370,981   | 393,240                | 416,834                |
| Transfers and Subsidies - Capital         | 1   | –               | 193,975         | 157,975         | 257,343              | 216,901         | 257,343            | 112,326           | 249,795   | 272,970                | 226,778                |
| Interest                                  |     | –               | 17,868          | 24,392          | 40,359               | 41,359          | 40,359             | 24,759            | 45,495  | 49,893                 | 54,719                 |
| Dividends                                 |     | –               | 25              | 73              | 53                   | 53              | 53                 | –                 | 56  | 60                     | 63                     |
| Payments                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Suppliers and employees                   |     | –               | (1,453,983)     | (1,519,452)     | (1,569,717)          | (1,974,974)     | (1,569,717)        | (1,002,387)       | (1,700,588)   | (1,806,088)            | (1,918,139)            |
| Finance charges                           |     | –               | (38,141)        | (47,689)        | (42,423)             | (42,423)        | (42,423)           | (21,136)          | (44,968)  | (47,666)               | (50,526)               |
| Transfers and Grants                      | 1   | –               | (4,415)         | –               | –                    | –               | –                  | 25,681            | –   | –                      | –                      |
| NET CASH FROM/(USED) OPERATING ACTIVITIES |     | –               | (227,124)       | 11,814          | 567,317              | 201,754         | 567,317            | 44,805            | 683,796   | 735,349                | 730,320                |
| CASH FLOWS FROM INVESTING ACTIVITIES      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Receipts                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |

|  |   |   |           |           |           |           |           |           |           |           |           |
|--|---|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Proceeds on disposal of PPE                    |   | - | (3,960)   | (33,557)  | -         | -         | -         | (3)       | -         | -         | -         |
| Decrease (increase) in non-current receivables |   | - | -         | -         | (1,428)   | (1,428)   | (1,428)   | -         | -         | -         | -         |
| Decrease (increase) in non-current investments |   | - | 18,866    | (26,112)  | (291,916) | -         | (291,916) | 522       | -         | -         | -         |
| Payments                                       |   |   |           |           |           |           |           |           |           |           |           |
| Capital assets                                 |   | - | -         | -         | -         | -         | -         | -         | (249,795) | (272,970) | (226,778) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES      |   | - | 14,906    | (59,669)  | (293,343) | (1,428)   | (293,343) | 519       | (249,795) | (272,970) | (226,778) |
| CASH FLOWS FROM FINANCING ACTIVITIES           |   |   |           |           |           |           |           |           |           |           |           |
| Receipts                                       |   |   |           |           |           |           |           |           |           |           |           |
| Short term loans                               |   | - | -         | -         | (1,626)   | -         | (1,626)   | -         | -         | -         | -         |
| Borrowing long term/refinancing                |   | - | 136,195   | 35,966    | 242,361   | -         | 242,361   | 9,305     | -         | -         | -         |
| Increase (decrease) in consumer deposits       |   | - | 61,048    | (5,406)   | 47,944    | -         | 47,944    | 1,124     | (300,000) | (400,000) | (400,000) |
| Payments                                       |   |   |           |           |           |           |           |           |           |           |           |
| Repayment of borrowing                         |   | - | (655,841) | (366,739) | (397,843) | (228,465) | (397,843) | (112,151) | -         | -         | -         |
| NET CASH FROM/(USED) FINANCING ACTIVITIES      |   | - | (458,598) | (336,180) | (109,164) | (228,465) | (109,164) | (101,722) | (300,000) | (400,000) | (400,000) |
| NET INCREASE/(DECREASE) IN CASH HELD           |   | - | (670,816) | (384,035) | 164,810   | (28,138)  | 164,810   | (56,398)  | 134,000   | 62,379    | 103,542   |
| Cash/cash equivalents at the year begin:       | 2 | - | 726,824   | 418,227   | 121,920   | 121,920   | (287,521) | 34,193    | 93,782    | 227,782   | 290,162   |
| Cash/cash equivalents at the year end:         | 2 | - | 56,008    | 34,192    | 286,730   | 93,782    | (122,711) | (22,206)  | 227,782   | 290,162   | 393,704   |

#### Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The 2020/21 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
4. Cash and cash equivalents totals R122.7 million as at the end of the 2019/20 financial year. It is projected at R527.8 million in 2020/21, increases to R590.2 million in 2021/22 and R693.7 million in 2022/23 financial year.

**Table 20 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

GT485 Rand West City - Table A8 Cash backed reserves/accumulated surplus reconciliation

| Description                                       | Ref | 2016/17          | 2017/18          | 2018/19          | Current Year 2019/20 |                  |                    |                   | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|------------------|------------------|------------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
|   |     | Audited Outcome  | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>Cash and investments available</b>             |     |                  |                  |                  |                      |                  |                    |                   |   |                        |                        |
| Cash/cash equivalents at the year end             | 1   | –                | 56,008           | 34,192           | 286,730              | 93,782           | (122,711)          | (22,206)          | 227,782   | 290,162                | 393,704                |
| Other current investments > 90 days               |     | 127,943          | (12,957)         | (4,176)          | (254,642)            | (59,480)         | 159,380            | 61,405            | –   | –                      | –                      |
| Non current assets - Investments                  | 1   | 12,231           | –                | –                | –                    | –                | –                  | –                 | –   | –                      | –                      |
| <b>Cash and investments available:</b>            |     | <b>140,174</b>   | <b>43,051</b>    | <b>30,017</b>    | <b>32,088</b>        | <b>34,302</b>    | <b>36,669</b>      | <b>39,199</b>     | <b>227,782</b>                                      | <b>290,162</b>         | <b>393,704</b>         |
| <b>Application of cash and investments</b>        |     |                  |                  |                  |                      |                  |                    |                   |   |                        |                        |
| Unspent conditional transfers                     |     | 45,885           | 12,577           | 12,576           | –                    | –                | –                  | –                 | –   | –                      | –                      |
| Unspent borrowing                                 |     | –                | –                | –                | –                    | –                | –                  | –                 | –   | –                      | –                      |
| Statutory requirements                            | 2   | –                | –                | –                | –                    | –                | –                  | –                 | –   | –                      | –                      |
| Other working capital requirements                | 3   | 562,334          | 546,562          | 773,343          | (127,574)            | (221,212)        | (188,352)          | 157,554           | 137,351   | 149,089                | 161,436                |
| Other provisions                                  |     | –                | –                | –                | –                    | –                | –                  | –                 | –   | –                      | –                      |
| Long term investments committed                   | 4   | –                | –                | –                | –                    | –                | –                  | –                 | –   | –                      | –                      |
| Reserves to be backed by cash/investments         | 5   | –                | –                | –                | –                    | –                | –                  | –                 | –   | –                      | –                      |
| <b>Total Application of cash and investments:</b> |     | <b>608,219</b>   | <b>559,139</b>   | <b>785,918</b>   | <b>(127,574)</b>     | <b>(221,212)</b> | <b>(188,352)</b>   | <b>157,554</b>    | <b>137,351</b>                                      | <b>149,089</b>         | <b>161,436</b>         |
| <b>Surplus(shortfall)</b>                         |     | <b>(468,045)</b> | <b>(516,088)</b> | <b>(755,902)</b> | <b>159,662</b>       | <b>255,514</b>   | <b>225,021</b>     | <b>(118,355)</b>  | <b>90,431</b>                                       | <b>141,073</b>         | <b>232,268</b>         |

**Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 98 and 99 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. As part of the budgeting and planning guidelines that informed the compilation of the draft 2020/21 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned

to section 18 of the MFMA.

6. As can be seen the budget has been modelled to progressively move from a surplus of R829 Thousand in 2020/21 to a surplus of R3 million by 2021/22 and R15 million 2022/23 financial year.

**Table 21 MBRR Table A9 – Asset Management**

GT485 Rand West City - Table A9  
Asset Management

| Description<br><br>R thousand                       | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>CAPITAL EXPENDITURE</b>                          |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u><b>Total New Assets</b></u>                      | 1   | 226,743         | 110,051         | 292,654         | 331,933              | 159,107         | 159,107            | 196,788   | 272,970                | 226,778                |
| <i>Roads Infrastructure</i>                         |     | 7,694           | 25,760          | 45,761          | 37,000               | 41,406          | 41,406             | 33,000  | 98,551                 | 104,418                |
| <i>Storm water Infrastructure</i>                   |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Electrical Infrastructure</i>                    |     | 23,500          | 18,944          | 159,115         | 169,400              | 27,527          | 27,527             | 50,245  | 47,000                 | 49,000                 |
| <i>Water Supply Infrastructure</i>                  |     | 51,968          | 49,888          | 81,327          | 78,761               | 74,664          | 74,664             | 73,383  | 127,419                | 73,360                 |
| <i>Sanitation Infrastructure</i>                    |     | –               | –               | –               | 40,000               | –               | –                  | 38,460  | –                      | –                      |
| <i>Solid Waste Infrastructure</i>                   |     | 99,230          | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Rail Infrastructure</i>                          |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Coastal Infrastructure</i>                       |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Information and Communication Infrastructure</i> |     | –               | –               | 552             | –                    | –               | –                  | –   | –                      | –                      |
| <b>Infrastructure</b>                               |     | <b>182,391</b>  | <b>94,592</b>   | <b>286,755</b>  | <b>325,161</b>       | <b>143,597</b>  | <b>143,597</b>     | <b>195,088</b>                                      | <b>272,970</b>         | <b>226,778</b>         |
| <i>Community Facilities Sport and Recreation</i>    |     | 17,561          | 2,979           | 1,607           | 1,800                | 1,800           | 1,800              | 1,700   | –                      | –                      |
| <i>Facilities</i>                                   |     | 14,250          | 11,769          | –               | 1,200                | 953             | 953                | –   | –                      | –                      |
| <b>Community Assets</b>                             |     | <b>31,810</b>   | <b>14,748</b>   | <b>1,607</b>    | <b>3,000</b>         | <b>2,753</b>    | <b>2,753</b>       | <b>1,700</b>  | –                      | –                      |
| <b>Heritage Assets</b>                              |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Revenue Generating Non-revenue Generating</i>    |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <b>Investment properties</b>                        |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Operational Buildings</i>                        |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Housing</i>                                      |     | 1,235           | 712             | 4,292           | –                    | 5,954           | 5,954              | –   | –                      | –                      |
| <b>Other Assets</b>                                 |     | <b>1,235</b>    | <b>712</b>      | <b>4,292</b>    | –                    | <b>5,954</b>    | <b>5,954</b>       | –   | –                      | –                      |
| <i>Biological or Cultivated Assets</i>              |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Servitudes</i>                                   |     | 806             | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Licences and Rights</i>                          |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <b>Intangible Assets</b>                            |     | <b>806</b>      | –               | –               | –                    | –               | –                  | –   | –                      | –                      |



|   |       |   |        |        |        |        |        |        |   |
|---|-------|---|--------|--------|--------|--------|--------|--------|---|
| Computer Equipment                      | -     | - | -      | 772    | 804    | 804    | -      | -      | - |
| Furniture and Office                    | 1,159 | - | -      | -      | -      | -      | -      | -      | - |
| Equipment                               | 4,582 | - | -      | -      | -      | -      | -      | -      | - |
| Machinery and                           |       |   |        |        |        |        |        |        |   |
| Equipment                               |       |   |        |        |        |        |        |        |   |
| Transport Assets                        | -     | - | -      | 3,000  | 6,000  | 6,000  | -      | -      | - |
| Land                                    | 4,760 | - | -      | -      | -      | -      | -      | -      | - |
| Zoo's, Marine and Non-                  |       |   |        |        |        |        |        |        |   |
| biological Animals                      |       |   |        |        |        |        |        |        |   |
| <b>Total Renewal of Existing Assets</b> | 2     | - | 66,029 | 32,488 | 39,300 | 40,590 | 40,590 | 53,007 | - |
| Roads Infrastructure                    |       | - | 51,341 | 13,434 | 39,300 | 40,590 | 40,590 | 53,007 | - |
| Storm water                             |       | - | -      | -      | -      | -      | -      | -      | - |
| Infrastructure                          |       | - | -      | -      | -      | -      | -      | -      | - |
| Electrical Infrastructure               |       | - | 12,953 | -      | -      | -      | -      | -      | - |
| Water Supply                            |       | - | -      | -      | -      | -      | -      | -      | - |
| Infrastructure                          |       | - | -      | -      | -      | -      | -      | -      | - |
| Sanitation Infrastructure               |       | - | 249    | 19,054 | -      | -      | -      | -      | - |
| Solid Waste                             |       | - | -      | -      | -      | -      | -      | -      | - |
| Infrastructure                          |       | - | -      | -      | -      | -      | -      | -      | - |
| Rail Infrastructure                     |       | - | -      | -      | -      | -      | -      | -      | - |
| Coastal Infrastructure                  |       | - | -      | -      | -      | -      | -      | -      | - |
| Information and                         |       | - | -      | -      | -      | -      | -      | -      | - |
| Communication Infrastructure            |       | - | -      | -      | -      | -      | -      | -      | - |
| Infrastructure                          |       | - | 64,543 | 32,488 | 39,300 | 40,590 | 40,590 | 53,007 | - |
| Community Facilities                    |       | - | 1,486  | -      | -      | -      | -      | -      | - |
| Sport and Recreation                    |       | - | -      | -      | -      | -      | -      | -      | - |
| Facilities                              |       | - | -      | -      | -      | -      | -      | -      | - |
| Community Assets                        |       | - | 1,486  | -      | -      | -      | -      | -      | - |
| Heritage Assets                         |       | - | -      | -      | -      | -      | -      | -      | - |
| Revenue Generating                      |       | - | -      | -      | -      | -      | -      | -      | - |
| Non-revenue                             |       | - | -      | -      | -      | -      | -      | -      | - |
| Generating                              |       | - | -      | -      | -      | -      | -      | -      | - |
| Investment properties                   |       | - | -      | -      | -      | -      | -      | -      | - |
| Operational Buildings                   |       | - | -      | -      | -      | -      | -      | -      | - |
| Housing                                 |       | - | -      | -      | -      | -      | -      | -      | - |
| Other Assets                            |       | - | -      | -      | -      | -      | -      | -      | - |
| Biological or Cultivated                |       | - | -      | -      | -      | -      | -      | -      | - |
| Assets                                  |       | - | -      | -      | -      | -      | -      | -      | - |
| Servitudes                              |       | - | -      | -      | -      | -      | -      | -      | - |
| Licences and Rights                     |       | - | -      | -      | -      | -      | -      | -      | - |
| Intangible Assets                       |       | - | -      | -      | -      | -      | -      | -      | - |
| Computer Equipment                      |       | - | -      | -      | -      | -      | -      | -      | - |
| Furniture and Office                    |       | - | -      | -      | -      | -      | -      | -      | - |
| Equipment                               |       | - | -      | -      | -      | -      | -      | -      | - |
| Machinery and                           |       | - | -      | -      | -      | -      | -      | -      | - |
| Equipment                               |       | - | -      | -      | -      | -      | -      | -      | - |

|   |   |   |        |        |        |        |        |   |   |   |
|---|---|---|--------|--------|--------|--------|--------|---|---|---|
| Transport Assets                                    |   | - | -      | -      | -      | -      | -      | - | - | - |
| Land  |   | - | -      | -      | -      | -      | -      | - | - | - |
| Zoo's, Marine and Non-biological Animals            |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Total Upgrading of Existing Assets</b>           | 6 | - | 57,622 | 16,297 | 26,610 | 26,767 | 26,767 | - | - | - |
| <i>Roads Infrastructure</i>                         |   | - | -      | 1,039  | -      | -      | -      | - | - | - |
| <i>Storm water Infrastructure</i>                   |   | - | -      | -      | -      | -      | -      | - | - | - |
| <i>Electrical Infrastructure</i>                    |   | - | -      | 2,000  | -      | -      | -      | - | - | - |
| <i>Water Supply Infrastructure</i>                  |   | - | -      | -      | -      | -      | -      | - | - | - |
| <i>Sanitation Infrastructure</i>                    |   | - | 46,891 | -      | 26,610 | 26,767 | 26,767 | - | - | - |
| <i>Solid Waste Infrastructure</i>                   |   | - | -      | -      | -      | -      | -      | - | - | - |
| <i>Rail Infrastructure</i>                          |   | - | -      | -      | -      | -      | -      | - | - | - |
| <i>Coastal Infrastructure</i>                       |   | - | -      | -      | -      | -      | -      | - | - | - |
| <i>Information and Communication Infrastructure</i> |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Infrastructure</b>                               |   | - | 46,891 | 3,039  | 26,610 | 26,767 | 26,767 | - | - | - |
| <b>Community Facilities</b>                         |   | - | 1,965  | -      | -      | -      | -      | - | - | - |
| <b>Sport and Recreation Facilities</b>              |   | - | 8,766  | 13,258 | -      | -      | -      | - | - | - |
| <b>Community Assets</b>                             |   | - | 10,731 | 13,258 | -      | -      | -      | - | - | - |
| <b>Heritage Assets</b>                              |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Revenue Generating</b>                           |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Non-revenue Generating</b>                       |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Investment properties</b>                        |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Operational Buildings</b>                        |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Housing</b>                                      |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Other Assets</b>                                 |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Biological or Cultivated Assets</b>              |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Servitudes</b>                                   |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Licences and Rights</b>                          |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Intangible Assets</b>                            |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Computer Equipment</b>                           |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Furniture and Office Equipment</b>               |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Machinery and Equipment</b>                      |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Transport Assets</b>                             |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Land</b>   |   | - | -      | -      | -      | -      | -      | - | - | - |
| <b>Zoo's, Marine and Non-biological Animals</b>     |   | - | -      | -      | -      | -      | -      | - | - | - |

|   |   |                |                |                |                |                |                |                |                |                |
|---|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Total Capital Expenditure</b>                    | 4 | 226,743        | 233,703        | 341,440        | 397,843        | 226,465        | 226,465        | 249,795        | 272,970        | 226,778        |
| <i>Roads Infrastructure</i>                         |   | 7,694          | 77,101         | 60,234         | 76,300         | 81,996         | 81,996         | 86,007         | 98,551         | 104,418        |
| <i>Storm water Infrastructure</i>                   |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Electrical Infrastructure</i>                    |   | 23,500         | 31,897         | 161,114        | 169,400        | 27,527         | 27,527         | 50,245         | 47,000         | 49,000         |
| <i>Water Supply Infrastructure</i>                  |   | 51,968         | 49,888         | 81,327         | 78,761         | 74,664         | 74,664         | 73,383         | 127,419        | 73,360         |
| <i>Sanitation Infrastructure</i>                    |   | –              | 47,140         | 19,054         | 66,610         | 26,767         | 26,767         | 38,460         | –              | –              |
| <i>Solid Waste Infrastructure</i>                   |   | 99,230         | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Rail Infrastructure</i>                          |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Coastal Infrastructure</i>                       |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Information and Communication Infrastructure</i> |   | –              | –              | 552            | –              | –              | –              | –              | –              | –              |
| <b>Infrastructure</b>                               |   | <b>182,391</b> | <b>206,025</b> | <b>322,283</b> | <b>391,071</b> | <b>210,954</b> | <b>210,954</b> | <b>248,095</b> | <b>272,970</b> | <b>226,778</b> |
| <b>Community Facilities</b>                         |   | 17,561         | 6,431          | 1,607          | 1,800          | 1,800          | 1,800          | 1,700          | –              | –              |
| <b>Sport and Recreation Facilities</b>              |   | 14,250         | 20,535         | 13,258         | 1,200          | 953            | 953            | –              | –              | –              |
| <b>Community Assets</b>                             |   | <b>31,810</b>  | <b>26,966</b>  | <b>14,865</b>  | <b>3,000</b>   | <b>2,753</b>   | <b>2,753</b>   | <b>1,700</b>   | –              | –              |
| <b>Heritage Assets</b>                              |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Revenue Generating</b>                           |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Non-revenue Generating</b>                       |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Investment properties</b>                        |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Operational Buildings</b>                        |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Housing</b>                                      |   | 1,235          | 712            | 4,292          | –              | 5,954          | 5,954          | –              | –              | –              |
| <b>Other Assets</b>                                 |   | <b>1,235</b>   | <b>712</b>     | <b>4,292</b>   | –              | <b>5,954</b>   | <b>5,954</b>   | –              | –              | –              |
| <b>Biological or Cultivated Assets</b>              |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Servitudes</b>                                   |   | 806            | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Licences and Rights</b>                          |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Intangible Assets</b>                            |   | <b>806</b>     | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Computer Equipment</b>                           |   | –              | –              | –              | 772            | 804            | 804            | –              | –              | –              |
| <b>Furniture and Office Equipment</b>               |   | 1,159          | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Machinery and Equipment</b>                      |   | 4,582          | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Transport Assets</b>                             |   | –              | –              | –              | 3,000          | 6,000          | 6,000          | –              | –              | –              |
| <b>Land</b>   |   | <b>4,760</b>   | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Zoo's, Marine and Non-biological Animals</b>     |   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>TOTAL CAPITAL EXPENDITURE - Asset class</b>      |   | <b>226,743</b> | <b>233,703</b> | <b>341,440</b> | <b>397,843</b> | <b>226,465</b> | <b>226,465</b> | <b>249,795</b> | <b>272,970</b> | <b>226,778</b> |
| <b>ASSET REGISTER SUMMARY - PPE (WDV)</b>           | 5 | 4,064,824      | 4,268,797      | 4,604,455      | 4,996,167      | 5,216,274      | 5,216,274      | 5,698,396      | 5,940,489      | 6,205,097      |

|  |   |           |           |           |           |           |           |           |           |           |
|--|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Roads Infrastructure                         |   | 760,245   | 783,142   | 819,196   | 819,196   | 851,230   | 851,230   | 950,986   | 1,025,171 | 1,129,916 |
| Storm water Infrastructure                   |   | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Electrical Infrastructure                    |   | 957,190   | 937,671   | 961,171   | 961,171   | 998,757   | 998,757   | 1,116,392 | 1,155,903 | 1,158,186 |
| Water Supply Infrastructure                  |   | 382,876   | 436,303   | 344,957   | 344,957   | 358,446   | 358,446   | 700,096   | 724,873   | 726,305   |
| Sanitation Infrastructure                    |   | 191,438   | 186,663   | 380,974   | 380,974   | 395,871   | 395,871   | 296,732   | 307,234   | 307,841   |
| Solid Waste Infrastructure                   |   | 191,438   | 195,397   | 214,936   | 236,430   | 270,243   | 270,243   | 195,397   | 202,312   | 202,712   |
| Rail Infrastructure                          |   | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Coastal Infrastructure                       |   | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Information and Communication Infrastructure |   | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Infrastructure                               |   | 2,483,187 | 2,539,174 | 2,721,233 | 2,742,727 | 2,874,548 | 2,874,548 | 3,259,603 | 3,415,494 | 3,524,959 |
| Community Assets                             |   | 297,125   | 305,275   | 379,598   | 778,683   | 809,133   | 809,133   | 807,556   | 836,137   | 919,750   |
| Heritage Assets                              |   | 4,284     | 4,284     | 4,266     | 4,266     | 4,433     | 4,433     | 4,433     | 4,590     | 4,590     |
| Investment properties                        |   | 220,778   | 239,590   | 246,132   | 246,132   | 255,757   | 255,757   | 255,757   | 264,809   | 291,290   |
| Other Assets                                 |   | 89,444    | 200,717   | 281,248   | 281,248   | 292,246   | 292,246   | 360,674   | 373,438   | 410,782   |
| Biological or Cultivated Assets              |   | 629       | 615       | 528       | 528       | 549       | 549       | 549       | 568       | 568       |
| Intangible Assets                            |   | 8,351     | 8,471     | 7,339     | 7,339     | 7,626     | 7,626     | 37,841    | 39,180    | 43,098    |
| Computer Equipment                           |   | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Furniture and Office Equipment               |   | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Machinery and Equipment                      |   | 8,696     | 8,696     | 28,867    | 28,867    | 36,572    | 36,572    | 36,572    | 37,867    | 41,653    |
| Transport Assets                             |   | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Land   |   | 952,329   | 961,975   | 935,244   | 906,377   | 935,411   | 935,411   | 935,411   | 968,407   | 968,407   |
| Zoo's, Marine and Non-biological Animals     |   | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV)     | 5 | 4,064,824 | 4,268,797 | 4,604,455 | 4,996,167 | 5,216,274 | 5,216,274 | 5,698,396 | 5,940,489 | 6,205,097 |
| EXPENDITURE OTHER ITEMS                      |   | 291,873   | 286,984   | 284,355   | 298,701   | 217,346   | 217,346   | 251,321   | 265,128   | 281,036   |
| Depreciation                                 | 7 | 221,982   | 213,416   | 183,162   | 231,732   | 159,968   | 159,968   | 190,500   | 201,930   | 214,046   |
| Repairs and Maintenance                      | 3 | 69,891    | 73,568    | 101,194   | 66,969    | 57,378    | 57,378    | 60,821    | 63,198    | 66,990    |
| by Asset Class                               |   | 10,120    | 14,297    | 49,589    | 20,439    | 30,439    | 30,439    | 30,815    | 32,664    | 34,624    |
| Roads Infrastructure                         |   | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Storm water Infrastructure                   |   | –         | –         | –         | –         | –         | –         | –         | –         | –         |

|   |                |                |                |                |                |                |                |                |                |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <i>Electrical Infrastructure</i>                                    | 20,486         | 20,486         | 14,050         | 28,922         | 13,922         | 13,922         | 15,727         | 16,671         | 17,671         |
| <i>Water Supply Infrastructure</i>                                  | 9,785          | 9,785          | 8,086          | 2,173          | 2,080          | 2,080          | 2,205          | 2,337          | 2,477          |
| <i>Sanitation Infrastructure</i>                                    | 2,500          | 2,500          | 2,368          | 3,053          | 3,146          | 3,146          | 3,335          | 3,535          | 3,747          |
| <i>Solid Waste Infrastructure</i>                                   | 16,500         | 16,500         | 13,911         | 6,974          | 2,433          | 2,433          | 2,314          | 2,453          | 2,600          |
| <i>Rail Infrastructure</i>  | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Coastal Infrastructure</i>                                       | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Information and Communication Infrastructure</i>                 | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Infrastructure</b>   | <b>59,391</b>  | <b>63,568</b>  | <b>88,005</b>  | <b>61,561</b>  | <b>52,020</b>  | <b>52,020</b>  | <b>54,396</b>  | <b>57,659</b>  | <b>61,119</b>  |
| <i>Community Facilities</i>   | 2,500          | 2,000          | 5,396          | 3,151          | 1,601          | 1,601          | 1,332          | 1,412          | 1,497          |
| <i>Sport and Recreation Facilities</i>                              | 1,000          | 1,000          | 812            | 1,013          | 513            | 513            | 455            | 483            | 511            |
| <b>Community Assets</b>   | <b>3,500</b>   | <b>3,000</b>   | <b>6,208</b>   | <b>4,164</b>   | <b>2,115</b>   | <b>2,115</b>   | <b>1,787</b>   | <b>1,894</b>   | <b>2,008</b>   |
| <b>Heritage Assets</b>  | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Revenue Generating</i>   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Non-revenue Generating</i>                                       | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Investment properties</b>  | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Operational Buildings</i>  | 2,000          | 2,000          | 2,207          | 525            | 3,243          | 3,243          | 3,877          | 2,838          | 3,008          |
| <i>Housing</i>  | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Other Assets</b>   | <b>2,000</b>   | <b>2,000</b>   | <b>2,207</b>   | <b>525</b>     | <b>3,243</b>   | <b>3,243</b>   | <b>3,877</b>   | <b>2,838</b>   | <b>3,008</b>   |
| <i>Biological or Cultivated Assets</i>                              | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Servitudes</i>   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Licences and Rights</i>  | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>Intangible Assets</b>  | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Computer Equipment</i>   | –              | –              | –              | –              | –              | –              | 761            | 807            | 855            |
| <i>Furniture and Office Equipment</i>                               | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Machinery and Equipment</i>                                      | 2,000          | 2,000          | 2,489          | 406            | –              | –              | –              | –              | –              |
| <b>Transport Assets</b>   | <b>3,000</b>   | <b>3,000</b>   | <b>2,284</b>   | <b>312</b>     | <b>–</b>       | <b>–</b>       | <b>–</b>       | <b>–</b>       | <b>–</b>       |
| <i>Land</i>   | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <i>Zoo's, Marine and Non-biological Animals</i>                     | –              | –              | –              | –              | –              | –              | –              | –              | –              |
| <b>TOTAL EXPENDITURE</b>  |                |                |                |                |                |                |                |                |                |
| <b>OTHER ITEMS</b>  | <b>291,873</b> | <b>286,984</b> | <b>284,355</b> | <b>298,701</b> | <b>217,346</b> | <b>217,346</b> | <b>251,321</b> | <b>265,128</b> | <b>281,036</b> |
| <i>Renewal and upgrading of Existing Assets as % of total capex</i> | 0.0%           | 52.9%          | 14.3%          | 16.6%          | 29.7%          | 29.7%          | 21.2%          | 0.0%           | 0.0%           |
| <i>Renewal and upgrading of Existing Assets as % of deprecn</i>     | 0.0%           | 57.9%          | 26.6%          | 28.4%          | 42.1%          | 42.1%          | 27.8%          | 0.0%           | 0.0%           |
| <i>R&amp;M as a % of PPE</i>  | 1.9%           | 1.9%           | 2.5%           | 1.5%           | 1.2%           | 1.2%           | 1.1%           | 1.1%           | 1.1%           |
| <i>Renewal and upgrading and R&amp;M as a % of PPE</i>              | 2.0%           | 5.0%           | 3.0%           | 3.0%           | 2.0%           | 2.0%           | 2.0%           | 1.0%           | 1.0%           |

**Explanatory notes to Table A9 – Asset Management**

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality is not complying with both these recommendations.

**Table 22 MBRR Table A10 – Basic Service Delivery Measurement**

GT485 Rand West City - Table  
A10 Basic service delivery  
measurement

| Description                                      | Ref | 2016/17 | 2017/18 | 2018/19 | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Outcome | Outcome | Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>Household service targets</b>                 | 1   |         |         |         |                      |                 |                    |   |                        |                        |
| <u>Water:</u>                                    |     |         |         |         |                      |                 |                    |   |                        |                        |
| Piped water inside dwelling                      |     | 41,108  | 41,108  | 41,108  | 72,368               | 72,368          | 72,368             | 48,243  | 48,952                 | 49,672                 |
| Piped water inside yard (but not in dwelling)    |     | 9,127   | 9,127   | 9,127   | 9,127                | 9,127           | 9,127              | 42,036  | 42,654                 | 43,281                 |
| Using public tap (at least min.service level)    | 2   | 16,883  | 16,883  | 16,883  | 10,883               | 10,883          | 10,883             | 7,816   | 7,931                  | 8,047                  |
| Other water supply (at least min.service level)  | 4   | 35,670  | 35,670  | 35,670  | 15,670               | 15,670          | 15,670             | 2,706   | 2,746                  | 2,786                  |
| <i>Minimum Service Level and Above sub-total</i> |     | 102,788 | 102,788 | 102,788 | 108,048              | 108,048         | 108,048            | 100,801   | 102,283                | 103,786                |
| Using public tap (< min.service level)           | 3   | –       | –       | –       | –                    | –               | –                  | –   | –                      | –                      |
| Other water supply (< min.service level)         | 4   | –       | –       | –       | –                    | –               | –                  | –   | –                      | –                      |
| No water supply                                  |     | –       | –       | –       | –                    | –               | –                  | –   | –                      | –                      |
| <i>Below Minimum Service Level sub-total</i>     |     | –       | –       | –       | –                    | –               | –                  | –   | –                      | –                      |
| <b>Total number of households</b>                | 5   | 102,788 | 102,788 | 102,788 | 108,048              | 108,048         | 108,048            | 100,801   | 102,283                | 103,786                |
| <u>Sanitation/sewerage:</u>                      |     |         |         |         |                      |                 |                    |   |                        |                        |
| Flush toilet (connected to sewerage)             |     | 24,930  | 24,930  | 24,930  | 26,630               | 26,630          | 26,630             | 56,303  | 57,131                 | 57,970                 |
| Flush toilet (with septic tank)                  |     | 735     | 735     | 735     | 1,735                | 1,735           | 1,735              | 3,879   | 3,936                  | 3,994                  |
| Chemical toilet                                  |     | 601     | 601     | 601     | 1,000                | 1,000           | 1,000              | 409   | 415                    | 421                    |
| Pit toilet (ventilated)                          |     | 1,000   | 1,000   | 1,000   | 1,500                | 1,500           | 1,500              | 9,554   | 9,694                  | 9,837                  |
| Other toilet provisions (> min.service level)    |     | 100     | 100     | 100     | 200                  | 200             | 200                | 9,962   | 10,108                 | 10,257                 |
| <i>Minimum Service Level and Above sub-total</i> |     | 27,366  | 27,366  | 27,366  | 31,065               | 31,065          | 31,065             | 80,107  | 81,285                 | 82,479                 |
| Bucket toilet                                    |     | –       | –       | –       | –                    | –               | –                  | –   | –                      | –                      |
| Other toilet provisions (< min.service level)    |     | –       | –       | –       | –                    | –               | –                  | –   | –                      | –                      |

|  |   |        |        |        |        |        |        |         |         |         |
|--|---|--------|--------|--------|--------|--------|--------|---------|---------|---------|
| No toilet provisions   |   | 550    | 550    | 550    | –      | –      | –      | –       | –       | –       |
| <i>Below Minimum Service Level sub-total</i>   |   | 550    | 550    | 550    | –      | –      | –      | –       | –       | –       |
| Total number of households   | 5 | 27,916 | 27,916 | 27,916 | 31,065 | 31,065 | 31,065 | 80,107  | 81,285  | 82,479  |
| <b><u>Energy:</u></b>  |   |        |        |        |        |        |        |         |         |         |
| Electricity (at least min.service level)   |   | 40,720 | 40,720 | 40,720 | 25,225 | 25,225 | 25,225 | 68,589  | 69,597  | 70,620  |
| Electricity - prepaid (min.service level)  |   | 5,720  | 5,720  | 5,720  | 54,231 | 54,231 | 54,231 | 40,684  | 41,282  | 41,889  |
| <i>Minimum Service Level and Above sub-total</i>   |   | 46,440 | 46,440 | 46,440 | 79,456 | 79,456 | 79,456 | 109,273 | 110,879 | 112,509 |
| Electricity (< min.service level)  |   | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Electricity - prepaid (< min. service level)   |   | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Other energy sources   |   | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| <i>Below Minimum Service Level sub-total</i>   |   | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Total number of households   | 5 | 46,440 | 46,440 | 46,440 | 79,456 | 79,456 | 79,456 | 109,273 | 110,879 | 112,509 |
| <b><u>Refuse:</u></b>  |   |        |        |        |        |        |        |         |         |         |
| Removed at least once a week   |   | 41,235 | 41,235 | 41,235 | 48,937 | 48,937 | 48,937 | 67,815  | 68,812  | 69,823  |
| <i>Minimum Service Level and Above sub-total</i>   |   | 41,235 | 41,235 | 41,235 | 48,937 | 48,937 | 48,937 | 67,815  | 68,812  | 69,823  |
| Removed less frequently than once a week   |   | 547    | 547    | 547    | –      | –      | –      | –       | –       | –       |
| Using communal refuse dump   |   | 2,865  | 2,865  | 2,865  | –      | –      | –      | –       | –       | –       |
| Using own refuse dump  |   | 11,523 | 11,523 | 11,523 | –      | –      | –      | –       | –       | –       |
| Other rubbish disposal   |   | 720    | 720    | 720    | –      | –      | –      | –       | –       | –       |
| No rubbish disposal  |   | 124    | 124    | 124    | –      | –      | –      | –       | –       | –       |
| <i>Below Minimum Service Level sub-total</i>   |   | 15,779 | 15,779 | 15,779 | –      | –      | –      | –       | –       | –       |
| Total number of households   | 5 | 57,014 | 57,014 | 57,014 | 48,937 | 48,937 | 48,937 | 67,815  | 68,812  | 69,823  |
| <b><u>Households receiving Free Basic Service</u></b>                                    |   |        |        |        |        |        |        |         |         |         |
| Water (6 kilolitres per household per month)   | 7 | –      | –      | –      | 13,853 | 13,853 | 13,853 | 11,309  | 11,475  | 11,644  |
| Sanitation (free minimum level service)  |   | –      | –      | –      | 13,853 | 13,853 | 13,853 | 11,309  | 11,475  | 11,644  |
| Electricity/other energy (50kwh per household per month)                                 |   | –      | –      | –      | 13,853 | 13,853 | 13,853 | 11,309  | 11,475  | 11,644  |
| Refuse (removed at least once a week)  |   | –      | –      | –      | 13,853 | 13,853 | 13,853 | 11,309  | 11,475  | 11,644  |
| <b><u>Cost of Free Basic Services provided - Formal Settlements (R'000)</u></b>          |   |        |        |        |        |        |        |         |         |         |
| Water (6 kilolitres per indigent household per month)                                    | 8 | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Sanitation (free sanitation service to indigent households)                              |   | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Electricity/other energy (50kwh per indigent household per month)                        |   | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Refuse (removed once a week for indigent households)                                     |   | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| <b><u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u></b> |   | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Total cost of FBS provided   |   | –      | –      | –      | –      | –      | –      | –       | –       | –       |

|   |        |   |   |            |            |            |            |            |            |
|---|--------|---|---|------------|------------|------------|------------|------------|------------|
| <u>Highest level of free service provided per household</u>   |        |   |   |            |            |            |            |            |            |
| Property rates (R value threshold)  | -      | - | - | 13,873,920 | 13,873,920 | 13,873,920 | 13,873,920 | 15,261,312 | 16,176,991 |
| Water (kilolitres per household per month)  | -      | - | - | 5,267,172  | 5,267,172  | 5,267,172  | 5,614,805  | 5,951,694  | 6,308,795  |
| Sanitation (kilolitres per household per month)   | -      | - | - | 111,145    | 111,145    | 111,145    | 117,814    | 124,883    | 132,375    |
| Sanitation (Rand per household per month)   | -      | - | - | 2,676,684  | 2,676,684  | 2,676,684  | 2,837,285  | 3,007,522  | 3,187,973  |
| Electricity (kwh per household per month)   | -      | - | - | 7,381,668  | 7,381,668  | 7,381,668  | 834,645    | 884,724    | 937,807    |
| Refuse (average litres per week)  | -      | - | - | 26,674,800 | 26,674,800 | 26,674,800 | 28,275,288 | 29,971,805 | 31,770,114 |
| <u>Revenue cost of subsidised services provided (R'000)</u>   | 9      |   |   |            |            |            |            |            |            |
| Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)                            | -      | - | - | -          | -          | -          | -          | -          | -          |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA) | 45,918 | - | - | -          | -          | -          | -          | -          | -          |
| Water (in excess of 6 kilolitres per indigent household per month)  | -      | - | - | -          | -          | -          | -          | -          | -          |
| Sanitation (in excess of free sanitation service to indigent households)                                    | -      | - | - | -          | -          | -          | -          | -          | -          |
| Electricity/other energy (in excess of 50 kwh per indigent household per month)                             | -      | - | - | -          | -          | -          | -          | -          | -          |
| Refuse (in excess of one removal a week for indigent households)  | -      | - | - | -          | -          | -          | -          | -          | -          |
| Municipal Housing - rental rebates  | -      | - | - | -          | -          | -          | -          | -          | -          |
| Housing - top structure subsidies   | -      | - | - | -          | -          | -          | -          | -          | -          |
| Other   | -      | - | - | -          | -          | -          | -          | -          | -          |
| Total revenue cost of subsidised services provided  | 45,918 | - | - | -          | -          | -          | -          | -          | -          |

## Part 2 – Supporting Documentation

### 2.1 Overview of the draft annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.



The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- That the various spending priorities of the different municipal departments are properly evaluated and prioritized in the allocation of resources.

### **2.1.1 Budget Process Overview**

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2019) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule in August 2019.

### **2.1.2 IDP and Service Delivery and Budget Implementation Plan**

This is the first review of the IDP as adopted by Council in May 2020. It started in September 2019 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2020/21 MTREF in August.

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2020/21 MTREF, based on the approved 2019/20 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the draft 2020/21 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2020/21 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

### **2.1.3 Community Consultation**

The draft 2020/21 MTREF as tabled before Council on 28 March 2020 for community consultation will be published on the municipality's website, and hard copies will be available at municipal offices, municipal notice boards and various libraries.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees will be utilized to facilitate the community consultation process during April and May 2020, and included several public briefing sessions. The applicable dates and venues were published in all the local newspapers and a good average attendance was recorded per meeting. This can be attributed to the additional initiatives that were launched during the consultation process, including the specific targeting of ratepayer associations. Individual sessions were scheduled with organized business and imbizo's were held to further ensure transparency and interaction. Other stakeholders involved in the consultation included churches, non-governmental institutions and community-based organizations.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalization of the draft 2020/21 MTREF. Feedback and responses to the submissions received are available on request.

## **2.2 Overview of alignment of annual budget with IDP**

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilize integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development

platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the City, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the City strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the City's response to these requirements.

Cooperative governance means that three spheres of government should work together to provide citizens with a comprehensive package of services. The Constitution states that the three spheres of government have to assist and support each other, share information and coordinate their efforts. Implementation of policies and government programmes require close cooperation between spheres of government especially at executive level. RWCLM strategic objectives are informed by the Sustainable Development Goals (SDGs), National Development Plan (NDP), National Outcomes, Back to Basics (B2B) - Ten Point Plan approach as well as the Gauteng Transformation, Modernisation and Re-industrialisation (TMR) Objectives. All the above concerted efforts are depicted the strategies phase which forms the basis of this document.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the draft 2020/21 MTREF and further planning refinements that have directly informed the compilation of the budget:

## IDP Strategic Objectives

- Develop business excellence through a learning organisation
- To ensure provision of basic services to build sustainable and safe communities
- To accelerate an inclusive growing green economy
- To ensure financially viable and sustainable municipality
- Clean and accountable government for sustainable local communities
- To promote integrated sustainable development planning for the future

The Municipality has through its strategic planning and public participation processes ensured that the Municipal Strategic Priorities were unpacked by developing Key Performance Areas (KPA's), Programmes, Objectives, Key Performance Indicators (KPIs) and Targets for each of the KPA's and programmes.

The said Objectives, Indicators and Targets have been aligned to the National Priority Outputs, WRDM District context and where possible and will form the basis for the development of the Municipality's Service Delivery and Budget Implementation Plan (SDBIP) and Annual Performance Plans of Senior Management for the 2020/21 financial year. The table below provides a high level Municipal alignment with its strategic goals and the National Priorities/ KPA and programmes.

**Table 23 Strategic alignment between national, provincial, district and local priorities**

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above

| SDGs                                 | NDP                                      | National KPA   | GCR   | WRDM  | RWCLM – Strategic goal  |
|--------------------------------------|--|--|---|---|---|
| Peace, justice & strong institutions | Building Capable and Developmental State | KPA 1<br>Municipal Transformation and Organisational Development | Strengthening the developmental state and good Governance | 5. Business excellence within the WRDM  | Develop business excellence through a learning organisation                         |
| Industry innovation & infrastructure | Economic Infrastructure                  | KPA 2:<br>Infrastructure Development and Service Delivery        | Building cohesive and sustainable communities             | 1. Regional Planning and economic Development<br>2. Health and Social Development | To ensure the provision of basic services to build sustainable and safe communities |

|                                      |  |  |  |   |  |
|--------------------------------------|--|--|--|---|--|
| Decent work & economic growth        | Economy and Employment                   | KPA 3 Local Economic Development (LED)             | Creating decent work and building a growing economy<br>Inclusive economy | 1. Regional Planning and economic Development   | To promote and accelerate an inclusive growing green economy                     |
| Peace, justice & strong institutions | Building Capable and Developmental State | KPA 4 Municipal Financial Viability and Management | Strengthening the developmental state and good Governance                | 5. Business excellence within the WRDM          | To ensure financially viable and sustainable municipality                        |
| Peace, justice & strong institutions | Building Capable and Developmental State | KPA 5 Good Governance and Public Participation     | Strengthening the developmental state and good Governance                | 4. Sustainable Governance for Local Communities | To provide a democratic, clean and accountable for sustainable local communities |

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the fourth revised IDP, including:

- Strengthening the analysis and strategic planning processes of the Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The draft 2020/21 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

**Table 24 MBRR Table SA4 – Reconciliation between the IDP strategic objectives and budgeted revenue**

GT485 Rand West City - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

| Objectives and Budget (Revenue)                               |  |           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
|---|--|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| Strategic Objective   | Goal   | Goal Code | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|   |  |           |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| R thousand  |  |           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| KPA 1 Municipal Transformation and Organisational Development | Develop business excellence through a learning |           |     |                 | –               | –               | –                    | 25,274          | 25,274             | 86,537  | 94,414                 | 101,712                |

|   | organisati<br>on  |  |   |           |           |           |           |           |           |           |           |           |
|---|---|--|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| KPA 2 :Infrastructure Development and Service Delivery        | To ensure the provision of basic services to build sustainable and safe communities         |  |   | 826,598   | 964,316   | 1,019,293 | 1,290,959 | 1,356,788 | 1,356,788 | 1,296,645 | 1,389,925 | 1,473,039 |
| KPA 3 LED   | To promote and accelerate an inclusive growing green economy                                |  |   | 165,070   | 198,611   | 188,203   | 288,520   | 3,143     | 3,143     | 2,616     | 159       | 175       |
| KPA 4 Municipal Financial Viability and Management            | To ensure financially viable and sustainable municipality                                   |  |   | 551,609   | 582,316   | 471,583   | 681,829   | 529,959   | 529,959   | 366,611   | 393,377   | 432,149   |
| KPA 5 Good Governance and Public Participation                | To provide a democratic, clean and accountable government for sustainable local communities |  |   | 16,177    | 2,000     | 179,863   | 2,000     | 156,723   | 156,723   | 283,302   | 285,396   | 301,788   |
| KPA 6 Spatial Analysis  | To promote integrated sustainable development planning for the future                       |  |   | 20,033    | –         | –         | 18,599    | 1,985     | 1,985     | 3,091     | 3,400     | 3,741     |
| Allocations to other priorities                               |   |  | 2 |           |           |           |           |           |           |           |           |           |
| Total Revenue (excluding capital transfers and contributions) |   |  | 1 | 1,579,487 | 1,747,244 | 1,858,942 | 2,281,907 | 2,073,872 | 2,073,872 | 2,038,803 | 2,166,672 | 2,312,604 |

**Table 25 MBRR Table SA5 – Reconciliation between the IDP strategic objectives and budgeted operating expenditure**

GT485 Rand West City - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

| Revenue and Budget (Operating Expenditure)                       |   |           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
|--|---|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| Strategic Objective  | Goal  | Goal Code | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|  |   |           |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| R thousand   |   |           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| KPA 1<br>Municipal Transformation and Organisational Development | Develop business excellence through a learning organisation                         |           |     | 320,310         | 403,823         | 460,184         | 496,411              | 470,006         | 470,006            | 483,209   | 511,622                | 542,319                |
| KPA 2<br>:Infrastructure Development and Service Delivery        | To ensure the provision of basic services to build sustainable and safe communities |           |     | 969,642         | 1,120,956       | 1,125,155       | 1,285,887            | 1,169,294       | 1,169,294          | 1,243,426   | 1,322,076              | 1,405,087              |
| KPA 3 LED  | To promote and accelerate an inclusive growing green economy                        |           |     | 66,124          | 25,878          | 31,676          | 25,085               | 20,657          | 20,657             | 24,874  | 26,367                 | 24,810                 |
| KPA 4<br>Municipal Financial Viability and Management            | To ensure financially viable and sustainable municipality                           |           |     | 100,803         | 313,148         | 247,372         | 203,121              | 195,288         | 195,288            | 195,191   | 206,901                | 222,455                |
| KPA 5 Good Governance and Public Participation                   | To provide a democratic, clean and accountable                                      |           |     | 90,715          | 72,882          | 78,391          | 82,942               | 80,577          | 80,577             | 91,274  | 96,750                 | 102,555                |

|                                       |  |  |   |               |               |               |               |               |               |               |               |               |
|---------------------------------------|--|--|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                       | governme<br>nt for<br>sustainabl<br>e local<br>communiti<br>es                               |  |   |               |               |               |               |               |               |               |               |               |
| KPA 6<br>Spatial<br>Analysis          | To<br>promote<br>integrated<br>sustainabl<br>e developme<br>nt planning<br>for the<br>future |  |   |               |               |               |               |               |               |               |               |               |
| Allocations<br>to other<br>priorities |  |  |   |               |               |               |               |               |               |               |               |               |
| Total<br>Expenditure                  |  |  | 1 | 1,547,5<br>95 | 1,936,6<br>86 | 1,942,7<br>77 | 2,093,4<br>46 | 1,935,8<br>23 | 1,935,8<br>23 | 2,037,97<br>4 | 2,163,71<br>7 | 2,297,22<br>7 |



## **2.3 Measurable performance objectives and indicators**

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the City has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:



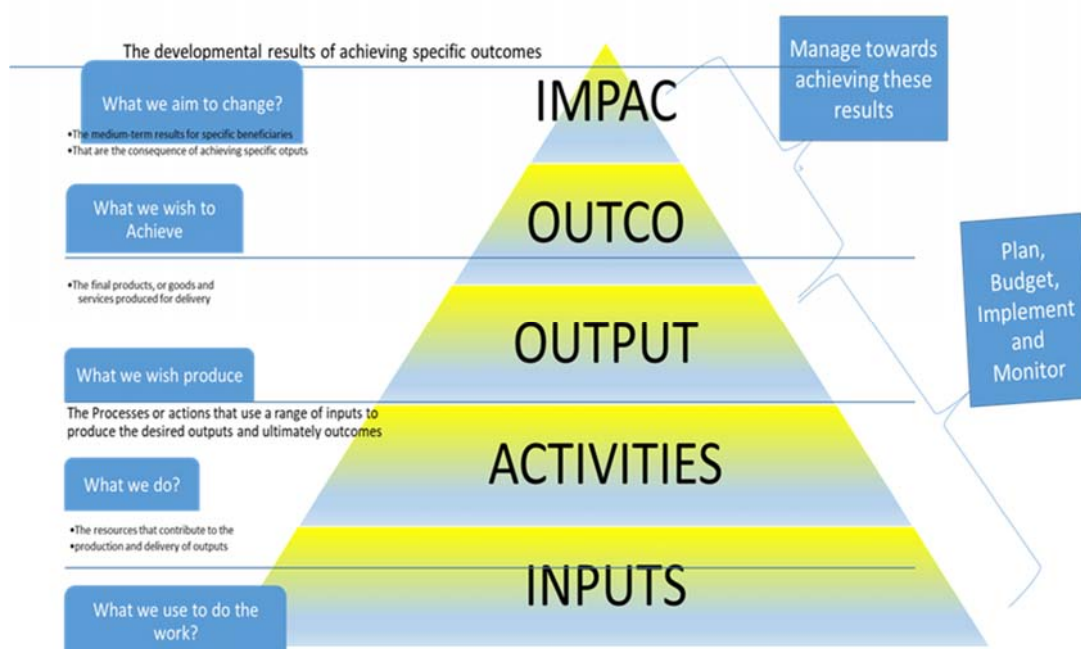
#### Figure 4 Planning, budgeting and reporting cycle

The performance of the municipality relates directly to the extent to which it has achieved success in realizing its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

#### Figure 4 Definition of performance information concepts

The performance information concepts used by the municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:



**Table 26 MBRR Table SA7 – Measurable performance objectives**

GT485 Rand West City - Supporting Table SA7 Measureable performance objectives

| Description  | Unit of measurement | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|---------------------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |                     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>Vote 1 - Municipal Management Office</b>  |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Function 1 - (name)  |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 1 - (name)  |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Conduct initiatives to ensure accountable Municipal Administration within the Rand West City Local Municipality (RWCLM)</i> | Percentage          |                 | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| Basic Service Delivery   | Percentage          |                 | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| Skilled, Capacitated , Competent and Motivated Workforce   | Percentage          |                 | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| <i>Ethical Administration and Good Governance</i>  | Percentage          |                 | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| To ensure safer communities within Rand West City  | Number              |                 | 600.0%          | 600.0%          | 600.0%               | 600.0%          | 600.0%             | 600.0%  | 600.0%                 | 600.0%                 |
| Co-ordinate the capacity for ECDC in RWCLM   | Number              |                 | 200.0%          | 200.0%          | 200.0%               | 200.0%          | 200.0%             | 200.0%  | 200.0%                 | 200.0%                 |
| <i>Co-ordinate the training for ECDC practitioners</i>   | Number              |                 | 800.0%          | 800.0%          | 800.0%               | 800.0%          | 800.0%             | 800.0%  | 800.0%                 | 800.0%                 |
| Ensure healthy communities in the RWCLM  | Number              |                 | 300.0%          | 300.0%          | 300.0%               | 300.0%          | 300.0%             | 300.0%  | 300.0%                 | 300.0%                 |
| Compilation of RWCLM Land Use Scheme   | Number              |                 | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| Ensure Healthy and united social cohesive communities  | Percentage          |                 | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| <i>Creating conducive environment for unemployment reduction</i>   | Percentage          |                 | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| Economic Development   | Percentage          |                 | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| Financial Administration   | Number              |                 | 400.0%          | 400.0%          | 400.0%               | 400.0%          | 400.0%             | 400.0%  | 400.0%                 | 400.0%                 |
| <i>Institutional Planning and Transformation</i>   | Percentage          |                 | 80.0%           | 80.0%           | 80.0%                | 80.0%           | 80.0%              | 80.0%   | 80.0%                  | 80.0%                  |
|  |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 3 - (name)  |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Insert measure/s description</i>  |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
|  |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Vote 2 - Infrastructure Service</b>   |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Function 1 - Electricity and Energy Services   |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Effective maintenance of Electricity Infrastructure  | Percentage          |                 | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| <i>Development of Electricity Master Plan</i>  | Number              |                 | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
|  |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Function 2 - Infrastructure Planning and Programme Management Unit   |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |

|  |            |  |        |        |        |        |        |        |        |        |
|--|------------|--|--------|--------|--------|--------|--------|--------|--------|--------|
| Planning and Implementation of Infrastructure projects | Percentage |  |        |        |        |        |        |        |        |        |
| Function 3 - Office of the EM                          |            |  |        |        |        |        |        |        |        |        |
| Function 4 - Roads and Stormwater                      |            |  |        |        |        |        |        |        |        |        |
| Conducting Road Repair and Maintenance Activities      | Percentage |  | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Function 5 - Sanitation and Purification Works         |            |  |        |        |        |        |        |        |        |        |
| Implementation of planned Sanitation Activities        | Percentage |  | 70.0%  | 70.0%  | 70.0%  | 70.0%  | 70.0%  | 70.0%  | 70.0%  | 70.0%  |
|  |            |  |        |        |        |        |        |        |        |        |
| Function 6 - Water                                     |            |  |        |        |        |        |        |        |        |        |
| Planning and Provision of Water Infrastructure         | Percentage |  | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Compliance to Water Quality Standards                  | Number     |  | 400.0% | 400.0% | 400.0% | 400.0% | 400.0% | 400.0% | 400.0% | 400.0% |
| Measurement of Water Distribution Losses               | Number     |  | 400.0% | 400.0% | 400.0% | 400.0% | 400.0% | 400.0% | 400.0% | 400.0% |
| Development of Draft Water and Sanitation Master Plan  | Number     |  | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
|  |            |  |        |        |        |        |        |        |        |        |
| Vote 3 -Community Services                             |            |  |        |        |        |        |        |        |        |        |
| Function 1 - Parks & Cemeteries                        | 1195848461 |  |        |        |        |        |        |        |        |        |
| Function 2 - Environmental Management                  |            |  |        |        |        |        |        |        |        |        |
| Monitor Compliance                                     | Number     |  | 400.0% | 400.0% | 400.0% | 400.0% | 400.0% | 400.0% |        | 400.0% |
| Review of air quality plan                             | Number     |  | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Climate change adaptation and mitigation initiatives   | Number     |  | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Compliance to Environmental Planning                   | Number     |  | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Ensure quality waste management                        | Number     |  | 200.0% | 200.0% | 200.0% | 200.0% | 200.0% | 200.0% | 200.0% | 200.0% |
| Sub-function 3 - (name)                                |            |  |        |        |        |        |        |        |        |        |
| Insert measure/s description                           |            |  |        |        |        |        |        |        |        |        |
|  |            |  |        |        |        |        |        |        |        |        |
| Function 3 - Law Enforcement                           |            |  |        |        |        |        |        |        |        |        |
| Sub-function 1 - Public Safety                         |            |  |        |        |        |        |        |        |        |        |
| Ensure effective traffic management                    | Number     |  | 5.0%   | 5.0%   | 5.0%   | 5.0%   | 5.0%   | 5.0%   | 5.0%   | 5.0%   |
|  |            |  |        |        |        |        |        |        |        |        |
| Function 4 - Libraries & Library Grant                 |            |  |        |        |        |        |        |        |        |        |
| Implementation of library programmes                   | Number     |  | 4.0%   | 4.0%   | 4.0%   | 4.0%   | 4.0%   | 4.0%   | 4.0%   | 4.0%   |
| Provision of the required library infrastructure       | Number     |  | 3.0%   | 3.0%   | 3.0%   | 3.0%   | 3.0%   | 3.0%   | 3.0%   | 3.0%   |
| Capacitating Libraries                                 | Number     |  | 14.0%  | 14.0%  | 14.0%  | 14.0%  | 14.0%  | 14.0%  | 14.0%  | 14.0%  |
| Insert measure/s description                           |            |  |        |        |        |        |        |        |        |        |
|  |            |  |        |        |        |        |        |        |        |        |
| And so on for the rest of the Votes                    |            |  |        |        |        |        |        |        |        |        |

The following table sets out the municipalities main performance objectives and benchmarks for the draft 2020/21 MTREF

**Table 27 MBRR Table SA8 – Performance indicators and benchmarks**

GT485 Rand West City - Supporting Table SA8

Performance indicators and benchmarks

| Description of financial indicator                              | Basis of calculation   | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    |                   | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|   |  | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>Borrowing Management</b>                                     |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Credit Rating</b>  |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Capital Charges to Operating Expenditure                        | Interest & Principal Paid /Operating Expenditure                           | 4.3%            | 35.8%           | 21.3%           | 21.0%                | 14.0%           | 22.7%              | 8.0%              | 2.2%  | 2.2%                   | 2.2%                   |
| Capital Charges to Own Revenue                                  | Finance charges & Repayment of borrowing /Own Revenue                      | 6.1%            | 56.4%           | 32.8%           | 26.2%                | 17.9%           | 29.1%              | 10.2%             | 2.7%  | 2.7%                   | 2.7%                   |
| Borrowed funding of 'own' capital expenditure                   | Borrowing/Capital expenditure excl. transfers and grants and contributions | 0.0%            | 50442562436.3%  | 35.6%           | 171.3%               | 0.0%            | 1902.5%            | 73.5%             | 0.0%  | 0.0%                   | 0.0%                   |
| <b>Safety of Capital</b>  |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Gearing   | Long Term Borrowing/ Funds & Reserves                                      | 139.9%          | 0.0%            | 0.0%            | 8186.7%              | 8186.7%         | 8186.7%            | 8186.7%           | 0.0%  | 0.0%                   | 0.0%                   |
| <b>Liquidity</b>  |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Current Ratio   | Current assets/current liabilities   | 0.5             | 0.3             | 0.2             | 0.9                  | 0.9             | 0.9                | 0.9               | 0.7   | 0.8                    | 0.9                    |
| Current Ratio adjusted for aged debtors                         | Current assets less debtors > 90 days/current liabilities                  | 0.5             | 0.3             | 0.2             | 0.9                  | 0.9             | 0.9                | 0.9               | 0.7   | 0.8                    | 0.9                    |
| Liquidity Ratio   | Monetary Assets/Current Liabilities  | 0.2             | 0.1             | 0.0             | 0.0                  | 0.0             | 0.1                | 0.1               | 0.3   | 0.4                    | 0.5                    |
| <b>Revenue Management</b>                                       |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Annual Debtors Collection Rate (Payment Level %)                | Last 12 Mths Receipts/Last 12 Mths Billing                                 |                 | 0.0%            | 79.8%           | 91.1%                | 100.5%          | 111.7%             | 111.7%            | 51.4%   | 109.0%                 | 109.0%                 |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & |  | 0.0%            | 79.8%           | 91.1%           | 100.6%               | 111.8%          | 111.8%             | 51.4%             | 109.0%  | 109.0%                 | 109.0%                 |

|                                     |  |          |           |          |         |         |          |            |         |         |         |
|-------------------------------------|--|----------|-----------|----------|---------|---------|----------|------------|---------|---------|---------|
| Other revenue)                      |  |          |           |          |         |         |          |            |         |         |         |
| Outstanding Debtors to Revenue      | Total Outstanding Debtors to Annual Revenue  | 16.0%    | 12.6%     | 12.9%    | 29.9%   | 32.6%   | 32.6%    | 32.6%      | 14.7%   | 14.5%   | 14.3%   |
| Longstanding Debtors Recovered      | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old                              |          |           |          |         |         |          |            |         |         |         |
| <u>Creditors Management</u>         |  |          |           |          |         |         |          |            |         |         |         |
| Creditors System Efficiency         | % of Creditors Paid Within Terms (within 'MFMA' s 65(e))                               |          |           |          |         |         |          |            |         |         |         |
| Creditors to Cash and Investments   |  | 0.0%     | 1185.1%   | 2751.9 % | 148.9 % | 455.4%  | - 348.0% | - 1923.3 % | 198.7 % | 165.4 % | 129.2 % |
| <u>Other Indicators</u>             |  |          |           |          |         |         |          |            |         |         |         |
|                                     | Total Volume Losses (kW)   | 60965000 | 108586000 |          | 26,187  | 26,187  | 26,187   | 26,187     | 18,331  | 18,331  | 18,331  |
| Electricity Distribution Losses (2) | Total Cost of Losses (Rand '000)   | 70,720   | 99,423    | 70,720   | 33,778  | 33,778  | 33,778   | 33,778     | 23,644  | 23,644  | 23,644  |
|                                     | % Volume (units purchased and generated less units sold)/units purchased and generated |          |           |          | 110,886 | 110,886 | 110,886  | 110,886    | 77,620  | 77,620  | 77,620  |
|                                     | Total Volume Losses (kℓ)   | 6,855    | 8,475     | 51,854   | 5,750   | 5,750   | 5,750    | 5,750      | 4,025   | 4,025   | 4,025   |
| Water Distribution Losses (2)       | Total Cost of Losses (Rand '000)   | 51854325 | 74331000  |          | 42,998  | 42,998  | 42,998   | 42,998     | 30,098  | 30,098  | 30,098  |
|                                     | % Volume (units purchased and generated less units sold)/units purchased and generated |          |           |          | 16,480  | 16,480  | 16,480   | 16,480     | 11,536  | 11,536  | 11,536  |
| Employee costs                      | Employee costs/(Total Revenue - capital revenue)                                       | 31.3%    | 33.6%     | 31.0%    | 27.0%   | 30.7%   | 30.7%    | 30.7%      | 28.5%   | 28.4%   | 28.2%   |
| Remuneration                        | Total remuneration/(Total Revenue - capital revenue)                                   | 37.0%    | 31.9%     | 31.1%    | 26.1%   | 28.5%   | 28.5%    |            | 30.0%   | 30.0%   | 29.8%   |
| Repairs & Maintenance               | R&M/(Total Revenue excluding capital revenue)  | 5.2%     | 4.7%      | 5.9%     | 3.3%    | 3.1%    | 3.1%     |            | 3.0%    | 2.9%    | 2.9%    |
| Finance charges & Depreciation      | FC&D/(Total Revenue - capital revenue)   | 21.4%    | 16.2%     | 13.6%    | 13.5%   | 10.9%   | 10.9%    | 10.9%      | 11.5%   | 11.5%   | 11.4%   |
| <u>IDP regulation financial</u>     | -  |          |           |          |         |         |          |            |         |         |         |

| viability indicators               |   |       |       |       |       |       |       |       |       |       |       |
|------------------------------------|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| i. Debt coverage                   | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | 1.6   | 3.1   | 2.9   | 6.2   | 6.2   | 6.2   | 33.3  | 33.4  | 32.4  | 34.6  |
| ii. O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services                        | 21.6% | 16.7% | 18.2% | 38.3% | 42.6% | 42.6% | 42.6% | 19.0% | 18.8% | 18.5% |
| iii. Cost coverage                 | (Available cash + Investments)/monthly fixed operational expenditure                          | –     | 0.7   | 0.3   | 2.5   | 0.8   | (1.1) | (0.2) | 1.5   | 1.8   | 2.3   |

### 2.3.1 Performance indicators and benchmarks

#### 2.3.1.1 *Borrowing Management*

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Rand West City's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the City's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the draft 2020/21 MTREF:

- *Borrowing to asset ratio* is a measure of the long-term borrowing as a percentage of the total asset base of the municipality.
- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing.

The City's debt profile provides some interesting insights on the City's future borrowing capacity. Firstly, the use of amortizing loans leads to high debt service costs at the beginning of the loan, which declines steadily towards the end of the loan's term. The City has raised mainly amortising loans over the past five years, hence effectively 'front-loading' its debt service costs.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the City to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs.

#### 2.3.1.2 *Safety of Capital*

- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, and overdraft and tax provisions as a percentage of funds and reserves.
- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves.

### 2.3.1.3 **Liquidity**

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the City has set a limit of 1, hence at no point in time should this ratio be less than 1. Going forward it will be necessary to maintain these levels.
- *The liquidity ratio* is a measure of the ability of the municipality to utilise cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

### 2.3.1.4 **Revenue Management**

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

### 2.3.1.5 **Creditors Management**

- While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation.

### 2.3.1.6 **Other Indicators**

- Employee costs as a percentage of operating revenue continues to decrease over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers.
- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the City's strategy to ensure the management of its asset base.

## 2.3.2 **Free Basic Services: Basic social services package for indigent households**

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the City. With the exception of water, only registered indigents qualify for the free basic services.



For the 2020/21, financial year 11 000 registered indigents have been provided for in the budget with this figured increasing to 15 000 by 2021/22. In terms of the Municipality's indigent policy registered households are entitled to 6kl free water, 50 kwh of electricity, free sanitation and free waste removal equivalent to 85¢ once a week, as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 22 MBRR A10 (Basic Service Delivery Measurement).

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, etc.) are not taken into account in the table noted above.

## **2.4 Overview of budget related-policies**

The Rand West City Local Municipality had to develop a set of comprehensive budget-related policies to ensure an effective policy framework is established to govern the financial management affairs of the newly established municipality.

Several policy workshops were held with officials and councilors to discuss the financial management policies and to receive inputs and comments.

The following draft budget-related policies are attached to this report and therefore submitted to Council for consideration and approval:

- Draft 2020/21 Municipal Tariff Book
  - Cost Containment Policy
  - Bad Debt Write Off policy
  - Borrowing Policy
  - Budget Policy
  - Capital Planning project policy
  - Cash and Investment Policy
  - Contract Management Policy
  - Credit Control and Debt Collection Policy
  - Fixed Asset Management Policy
  - Funding and Reserves Policy
  - Indigent Support Policy
  - Inventory Policy
  - Insurance Policy
  - Irregular, Unauthorised, Fruitless and Wasteful Expenditure Policy

- Long Term Financial Planning Policy
- Property Rates Policy Randfontein
- Property Rates Policy Westonaria
- Supply Chain Management Policy
- Tariff Policy
- Unclaimed deposit policy
- Virement Policy
- Revenue Enhancement Policy
- Provision for Doubtful Debts Policy

## **2.5 Overview of budget assumptions**

### **2.5.1 External factors**

Owing to the global and national economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the municipality's finances.

### **2.5.2 General inflation outlook and its impact on the municipal activities**

There are five key factors that have been taken into consideration in the compilation of the draft 2020/21 MTREF:

- National Government macroeconomic targets;
- The general inflationary outlook and the impact on City's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. Employee related costs comprise 29 per cent of total operating expenditure in the draft 2020/21 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget. The wage agreement SALGBC concluded with the municipal workers unions must be noted.

### **2.5.3 Interest rates for borrowing and investment of funds**

The MFMA specifies that borrowing can only be utilized to fund capital or refinancing of borrowing in certain conditions. The municipality engages in a number of financing arrangements to minimize its interest rate costs and risk. However, for simplicity the draft 2020/21 MTREF is based on the assumption that all borrowings are undertaken using fixed interest rates for amortization-style loans requiring both regular principal and interest payments. As part of the

compilation of the draft 2020/21 MTREF the potential of smoothing out the debt profile over the long term will be investigated.

#### **2.5.4 Collection rate for revenue services**

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (90 per cent) of annual billings. Cash flow is assumed to be 90 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

#### **2.5.5 Growth or decline in tax base of the municipality**

Debtors revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition, the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

#### **2.5.6 Salary increases**

The salaries/wages provision is made of 6.25% in the 2020/21 financial year.

#### **2.5.7 Impact of national, provincial and local policies**

Integration of service delivery between national, provincial and local government is critical to ensure focused service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and

- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

### 2.5.8 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 97 per cent is achieved on operating expenditure and 98 per cent on the capital programme for the 2019/20 MTREF of which performance has been factored into the cash flow budget.

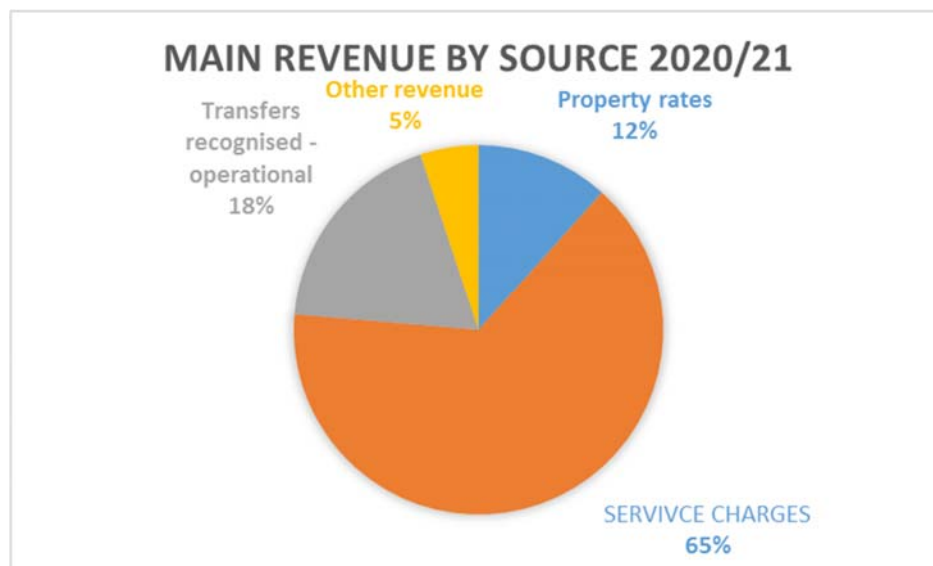
## 2.6 Overview of budget funding

### 2.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

**Table 28 Breakdown of the operating revenue over the medium-term**

| Description  | Adjustment<br>Budget 2019/20 | Daft<br>Budget<br>2020/21 | Budget<br>Year +1<br>2021/22 | Budget<br>Year +2<br>2022/23 |
|--|------------------------------|---------------------------|------------------------------|------------------------------|
| <b>R' thousands '000</b>   |                              |                           |                              |                              |
| Property Rates   | 224,520                      | 259,616                   | 276,231                      | 303,855                      |
| Service Charges - Electricity Revenue                              | 706,905                      | 782,887                   | 831,740                      | 883,640                      |
| Service Charges - Water Revenue                                    | 340,351                      | 362,814                   | 384,583                      | 407,658                      |
| Service Charges - Sanitation Revenue                               | 73,041                       | 77,716                    | 82,379                       | 87,321                       |
| Service Charges - Refuse Revenue                                   | 76,032                       | 80,898                    | 85,752                       | 90,898                       |
| Rental of Facilities and Equipment                                 | 1,604                        | 1,764                     | 1,941                        | 2,135                        |
| Interest Earned - External Investments                             | 3,473                        | 3,821                     | 4,050                        | 4,293                        |
| Interest Earned - Outstanding Debtors                              | 37,886                       | 41,675                    | 45,842                       | 50,426                       |
| Dividends Received   | 53                           | 56                        | 60                           | 63                           |
| Fines  | 12,599                       | 13,859                    | 14,690                       | 15,572                       |
| Licences and Permits   | 106                          | 116                       | 123                          | 131                          |
| Agency Services  | 18,599                       | 20,459                    | 21,687                       | 22,988                       |
| Donations  | 1,622                        | –                         | –                            | –                            |
| Transfers Recognised - Operational                                 | 344,610                      | 370,981                   | 393,240                      | 416,834                      |
| Other Revenue  | 20,127                       | 22,140                    | 24,354                       | 26,789                       |
| <b>Total revenue excluding capital transfers and contributions</b> | <b>1,861,528</b>             | <b>2,038,803</b>          | <b>2,166,672</b>             | <b>2,312,603</b>             |



## 2.6.2 Funding compliance measurement

National Treasury requires that the Municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial positions and cash flows. The funding compliances measures table essentially measure the degree to which the proposed budget complies with the funding requirement of the MFMA. Each of the measures is discussed below:

**Table 29 MBRR SA 10 – Funding compliance measurement**

GT485 Rand West City Supporting  
Table SA10 Funding measurement

| Description  | MFMA section | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    |                   | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |              |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>Funding measures</b>                                    | -            | -   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cash/cash equivalents at the year end - R'000              | 18(1)b       | 1   | -               | 56,008          | 34,192          | 286,730              | 93,782          | (122,711)          | (22,206)          | 227,782   | 290,162                | 393,704                |
| Cash + investments at the yr end less applications - R'000 | 18(1)b       | 2   | (468,045)       | (516,088)       | (755,902)       | 159,662              | 255,514         | 225,021            | (118,355)         | 90,431  | 141,073                | 232,268                |
| Cash year end/monthly                                      | 18(1)b       | 3   | -               | 0.7             | 0.3             | 2.5                  | 0.8             | (1.1)              | (0.2)             | 1.5   | 1.8                    | 2.3                    |

|   |             |    |        |              |          |         |         |         |         |         |        |        |
|---|-------------|----|--------|--------------|----------|---------|---------|---------|---------|---------|--------|--------|
| employee/supplier payments                                    |             |    |        |              |          |         |         |         |         |         |        |        |
| Surplus/(Deficit) excluding depreciation offsets: R'000       | 18(1)       | 4  | 31,893 | (189,443)    | (83,835) | 188,461 | 138,049 | 138,049 | 138,049 | 829     | 2,955  | 15,378 |
| Service charge rev % change - macro CPIX target exclusive     | 18(1)a, (2) | 5  | N.A.   | 11.3%        | (2.2%)   | 24.8%   | (16.0%) | (6.0%)  | (6.0%)  | 4.0%    | 0.2%   | 0.8%   |
| Cash receipts % of Ratepayer & Other revenue                  | 18(1)a, (2) | 6  | 0.0%   | 60.5%        | 76.4%    | 91.6%   | 107.1%  | 101.7%  | 44.5%   | 106.0%  | 105.9% | 105.8% |
| Debt impairment expense as a % of total billable revenue      | 18(1)a, (2) | 7  | 7.2%   | 14.0%        | 8.1%     | 7.7%    | 7.2%    | 7.2%    | 7.2%    | 6.5%    | 6.5%   | 6.5%   |
| Capital payments % of capital expenditure                     | 18(1)c, 19  | 8  | 0.0%   | 0.0%         | 0.0%     | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 100.0%  | 100.0% | 100.0% |
| Borrowing receipts % of capital expenditure (excl. transfers) | 18(1)c      | 9  | 0.0%   | #####<br>### | 35.6%    | 172.5%  | 0.0%    | 1915.3% | 73.5%   | 0.0%    | 0.0%   | 0.0%   |
| Grants % of Govt. legislated/gazetted allocations             | 18(1)a      | 10 |        |              |          |         |         |         |         | 0.0%    | 0.0%   | 0.0%   |
| Current consumer debtors % change - incr(decr)                | 18(1)a      | 11 | N.A.   | (9.4%)       | 13.2%    | 175.8%  | 0.0%    | 0.0%    | 0.0%    | (50.8%) | 5.0%   | 5.1%   |
| Long term receivables % change - incr(decr)                   | 18(1)a      | 12 | N.A.   | (16.8%)      | (57.3%)  | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 218.8%  | 0.0%   | 0.0%   |
| R&M % of Property Plant & Equipment                           | 20(1)(vi)   | 13 | 1.9%   | 1.9%         | 2.5%     | 1.5%    | 1.2%    | 1.2%    | 1.2%    | 1.1%    | 1.1%   | 1.1%   |
| Asset renewal % of capital budget                             | 20(1)(vi)   | 14 | 0.0%   | 28.3%        | 9.5%     | 9.9%    | 17.9%   | 17.9%   | 0.0%    | 21.2%   | 0.0%   | 0.0%   |
| <b>Supporting indicators</b>                                  | -           | -  | -      | -            |          |         |         |         |         |         |        |        |
| % incr total service charges (incl prop rates)                | 18(1)a      |    |        | 17.3%        | 3.8%     | 30.8%   | (10.0%) | 0.0%    | 0.0%    | 10.0%   | 6.2%   | 6.8%   |
| % incr Property Tax   | 18(1)a      |    |        | 20.3%        | (5.2%)   | 53.3%   | (22.2%) | 0.0%    | 0.0%    | 15.6%   | 6.4%   | 10.0%  |
| % incr Service charges - electricity revenue                  | 18(1)a      |    |        | 11.0%        | 2.4%     | 47.2%   | (15.6%) | 0.0%    | 0.0%    | 10.7%   | 6.2%   | 6.2%   |
| % incr Service charges - water revenue                        | 18(1)a      |    |        | 26.1%        | 1.4%     | 14.5%   | 2.6%    | 0.0%    | 0.0%    | 6.6%    | 6.0%   | 6.0%   |
| % incr Service charges - sanitation revenue                   | 18(1)a      |    |        | 7.2%         | 69.4%    | (32.8%) | 30.7%   | 0.0%    | 0.0%    | 6.4%    | 6.0%   | 6.0%   |

|  |           |           |           |           |           |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| % incr Service charges - refuse revenue              | 18(1)a    |           | 38.0%     | 5.2%      | (15.2%)   | 16.4%     | 0.0%      | 0.0%      | 6.3%      | 6.0%      | 6.0%      |
| % incr in  | 18(1)a    |           | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      |
| Total billable revenue                               | 18(1)a    | 991,668   | 1,162,927 | 1,207,496 | 1,579,479 | 1,421,385 | 1,421,385 | 1,421,385 | 1,563,931 | 1,660,685 | 1,773,372 |
| Service charges                                      |           | 991,668   | 1,162,927 | 1,207,496 | 1,579,479 | 1,421,385 | 1,421,385 | 1,421,385 | 1,563,931 | 1,660,685 | 1,773,372 |
| Property rates                                       |           | 165,070   | 198,611   | 188,203   | 288,520   | 224,520   | 224,520   | 224,520   | 259,616   | 276,231   | 303,855   |
| Service charges - electricity revenue                |           | 501,127   | 556,116   | 569,323   | 837,951   | 707,358   | 707,358   | 707,358   | 782,887   | 831,740   | 883,640   |
| Service charges - water revenue                      |           | 226,539   | 285,777   | 289,658   | 331,744   | 340,386   | 340,386   | 340,386   | 362,814   | 384,583   | 407,658   |
| Service charges - sanitation revenue                 |           | 45,810    | 49,113    | 83,178    | 55,886    | 73,042    | 73,042    | 73,042    | 77,716    | 82,379    | 87,321    |
| Service charges - refuse removal                     |           | 53,122    | 73,310    | 77,134    | 65,379    | 76,079    | 76,079    | 76,079    | 80,898    | 85,752    | 90,898    |
| Service charges - other                              |           | –         | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Rental of facilities and equipment                   |           | 1,051     | 537       | 2,123     | 2,222     | 1,604     | 1,604     | 1,604     | 1,764     | 1,941     | 2,135     |
| Capital expenditure excluding capital grant funding  |           | 2,548     | 0         | 100,954   | 140,500   | 12,654    | 12,654    | 12,654    | –         | –         | –         |
| Cash receipts from ratepayers                        | 18(1)a    | –         | 735,354   | 958,380   | 1,537,092 | 1,619,164 | 1,537,092 | 673,089   | 1,763,024 | 1,872,941 | 2,000,591 |
| Ratepayer & Other revenue                            | 18(1)a    | 1,059,266 | 1,215,060 | 1,254,526 | 1,677,428 | 1,511,771 | 1,511,771 | 1,511,771 | 1,663,945 | 1,769,322 | 1,891,414 |
| Change in consumer debtors (current and non-current) |           | (72,957)  | (20,356)  | 25,053    | 385,960   | 385,960   | 385,960   | 386,067   | (306,748) | 14,846    | 15,796    |
| Operating and Capital Grant Revenue                  | 18(1)a    | 496,957   | 516,167   | 596,111   | 601,953   | 568,138   | 568,138   | 568,138   | 370,981   | 393,240   | 416,834   |
| Capital expenditure - total                          | 20(1)(vi) | 226,743   | 233,703   | 341,440   | 397,843   | 226,465   | 226,465   | 226,465   | 249,795   | 272,970   | 226,778   |
| Capital expenditure - renewal                        | 20(1)(vi) | –         | 66,029    | 32,488    | 39,300    | 40,590    | 40,590    |           | 53,007    | –         | –         |
| <b>Supporting benchmarks</b>                         |           |           |           |           |           |           |           |           |           |           |           |
| Growth guideline maximum                             |           | 6.0%      | 6.0%      | 6.0%      | 6.0%      | 6.0%      | 6.0%      | 6.0%      | 6.0%      | 6.0%      | 6.0%      |
| CPI guideline  |           | 4.3%      | 3.9%      | 4.6%      | 5.0%      | 5.0%      | 5.0%      | 5.0%      | 5.4%      | 5.6%      | 5.4%      |
| DoRA operating grants total MFY                      |           |           |           |           |           |           |           |           |           |           |           |
| DoRA capital grants total MFY                        |           |           |           |           |           |           |           |           |           |           |           |
| Provincial operating grants                          |           |           |           |           |           |           |           |           |           |           |           |
| Provincial capital grants                            |           |           |           |           |           |           |           |           |           |           |           |

|   |  |  |           |           |           |           |           |           |           |           |           |           |
|---|--|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| District Municipality grants                                    |  |  |           |           |           |           |           |           |           |           |           |           |
| Total gazetted/advised national, provincial and district grants |  |  |           |           |           |           |           |           |           | -         | -         | -         |
| Average annual collection rate (arrears inclusive)              |  |  |           |           |           |           |           |           |           |           |           |           |
| <b>DoRA operating</b>   |  |  |           |           |           |           |           |           |           |           |           |           |
| <i>List operating grants</i>                                    |  |  |           |           |           |           |           |           |           |           |           |           |
|   |  |  |           |           |           |           |           |           |           | -         | -         | -         |
| <b>DoRA capital</b>   |  |  |           |           |           |           |           |           |           |           |           |           |
| <i>List capital grants</i>                                      |  |  |           |           |           |           |           |           |           |           |           |           |
|   |  |  |           |           |           |           |           |           |           | -         | -         | -         |
| <b>Trend</b>  |  |  |           |           |           |           |           |           |           |           |           |           |
| Change in consumer debtors (current and non-current)            |  |  | (72,957 ) | (20,356)  | 25,053    | 386,067   | (306,748) | 14,846    | 15,796    | -         | -         | -         |
| <b>Total Operating Revenue</b>                                  |  |  | 1,343,120 | 1,553,268 | 1,700,967 | 2,024,564 | 1,856,971 | 1,856,971 | 1,856,971 | 2,038,803 | 2,166,672 | 2,312,604 |
| <b>Total Operating Expenditure</b>                              |  |  | 1,547,595 | 1,936,686 | 1,942,777 | 2,093,446 | 1,935,823 | 1,935,823 | 1,935,823 | 2,037,974 | 2,163,717 | 2,297,226 |
| <b>Operating Performance Surplus/(Deficit)</b>                  |  |  | (204,475) | (383,418) | (241,810) | (68,882)  | (78,852)  | (78,852)  | (78,852)  | 829       | 2,955     | 15,378    |
| <b>Cash and Cash Equivalents (30 June 2012)</b>                 |  |  |           |           |           |           |           |           |           | 227,782   |           |           |
| <b>Revenue</b>  |  |  |           |           |           |           |           |           |           |           |           |           |
| % Increase in Total Operating Revenue                           |  |  |           | 15.6%     | 9.5%      | 19.0%     | (8.3%)    | 0.0%      | 0.0%      | 9.8%      | 6.3%      | 6.7%      |
| % Increase in Property Rates Revenue                            |  |  |           | 20.3%     | (5.2%)    | 53.3%     | (22.2%)   | 0.0%      | 0.0%      | 15.6%     | 6.4%      | 10.0%     |
| % Increase in Electricity Revenue                               |  |  |           | 11.0%     | 2.4%      | 47.2%     | (15.6%)   | 0.0%      | 0.0%      | 10.7%     | 6.2%      | 6.2%      |
| % Increase in Property Rates & Services Charges                 |  |  |           | 17.3%     | 3.8%      | 30.8%     | (10.0%)   | 0.0%      | 0.0%      | 10.0%     | 6.2%      | 6.8%      |
| <b>Expenditure</b>  |  |  |           |           |           |           |           |           |           |           |           |           |
| % Increase in Total Operating Expenditure                       |  |  |           | 25.1%     | 0.3%      | 7.8%      | (7.5%)    | 0.0%      | 0.0%      | 5.3%      | 6.2%      | 6.2%      |



|  |  |         |         |       |             |             |         |         |         |             |         |         |
|--|--|---------|---------|-------|-------------|-------------|---------|---------|---------|-------------|---------|---------|
| % Increase in Employee Costs                               |  |         |         | 23.9% | 1.1%        | 3.7%        | 4.4%    | 0.0%    | 0.0%    | 1.8%        | 6.0%    | 6.0%    |
| % Increase in Electricity Bulk Purchases                   |  |         |         | 23.0% | 1.0%        | 25.6%       | (5.8%)  | 0.0%    | 0.0%    | 6.4%        | 6.4%    | 6.4%    |
| Average Cost Per Budgeted Employee Position (Remuneration) |  |         |         |       | 415614.1348 | 574825.3628 |         |         |         | 389534.9487 |         |         |
| Average Cost Per Councillor (Remuneration)                 |  |         |         |       | 387818.6709 | 396750.7895 |         |         |         | 193000.0023 |         |         |
| R&M % of PPE Asset Renewal and R&M as a % of PPE           |  | 1.9%    | 1.9%    |       | 2.5%        | 1.5%        | 1.2%    | 1.2%    |         | 1.1%        | 1.1%    | 1.1%    |
| Debt Impairment % of Total Billable Revenue                |  | 2.0%    | 5.0%    |       | 4.0%        | 3.0%        | 3.0%    | 3.0%    |         | 2.0%        | 1.0%    | 1.0%    |
|  |  | 7.2%    | 14.0%   |       | 8.1%        | 7.7%        | 7.2%    | 7.2%    | 7.2%    | 6.5%        | 6.5%    | 6.5%    |
| <b>Capital Revenue</b>                                     |  |         |         |       |             |             |         |         |         |             |         |         |
| Internally Funded & Other (R'000)                          |  | 2,548   | –       |       | 100,954     | 140,500     | 12,654  | 12,654  | 12,654  | –           | –       | –       |
| Borrowing (R'000)  |  | –       | –       |       | –           | –           | –       | –       | –       | –           | –       | –       |
| Grant Funding and Other (R'000)                            |  | 224,195 | 233,703 |       | 240,485     | 257,343     | 213,811 | 213,811 | 213,811 | 249,795     | 272,970 | 226,778 |
| Internally Generated funds % of Non Grant Funding          |  | 100.0%  | 0.0%    |       | 100.0%      | 100.0%      | 100.0%  | 100.0%  | 100.0%  | 0.0%        | 0.0%    | 0.0%    |
| Borrowing % of Non Grant Funding                           |  | 0.0%    | 0.0%    |       | 0.0%        | 0.0%        | 0.0%    | 0.0%    | 0.0%    | 0.0%        | 0.0%    | 0.0%    |
| Grant Funding % of Total Funding                           |  | 98.9%   | 100.0%  |       | 70.4%       | 64.7%       | 94.4%   | 94.4%   | 94.4%   | 100.0%      | 100.0%  | 100.0%  |
| <b>Capital Expenditure</b>                                 |  |         |         |       |             |             |         |         |         |             |         |         |
| Total Capital Programme (R'000)                            |  | 226,743 | 233,703 |       | 341,440     | 397,843     | 226,465 | 226,465 | 226,465 | 249,795     | 272,970 | 226,778 |
| Asset Renewal  |  | –       | 123,652 |       | 48,785      | 65,910      | 67,357  | 67,357  | 67,357  | 53,007      | –       | –       |
| Asset Renewal % of Total Capital Expenditure               |  | 0.0%    | 52.9%   |       | 14.3%       | 16.6%       | 29.7%   | 29.7%   | 29.7%   | 21.2%       | 0.0%    | 0.0%    |
| <b>Cash</b>  |  |         |         |       |             |             |         |         |         |             |         |         |
| Cash Receipts % of Rate Payer & Other                      |  | 0.0%    | 60.5%   |       | 76.4%       | 91.6%       | 107.1%  | 101.7%  | 44.5%   | 106.0%      | 105.9%  | 105.8%  |
| Cash Coverage Ratio  |  | –       | 0       |       | 0           | 0           | 0       | (0)     | (0)     | 0           | 0       | 0       |
| <b>Borrowing</b>   |  |         |         |       |             |             |         |         |         |             |         |         |
| Credit Rating (2009/10)                                    |  |         |         |       |             |             |         |         |         | 0           |         |         |
| Capital Charges to Operating                               |  | 4.3%    | 35.8%   |       | 21.3%       | 21.0%       | 14.0%   | 22.7%   | 8.0%    | 2.2%        | 2.2%    | 2.2%    |
| Borrowing Receipts % of Capital Expenditure                |  | 0.0%    | #####   |       | 35.6%       | 172.5%      | 0.0%    | 1915.3% | 73.5%   | 0.0%        | 0.0%    | 0.0%    |
| <b>Reserves</b>  |  |         |         |       |             |             |         |         |         |             |         |         |

|  |    |   |           |           |           |           |           |           |           |           |           |           |
|--|----|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Surplus/(Deficit)  |    |   | (468,045) | (516,088) | (755,902) | 159,662   | 255,514   | 225,021   | (118,355) | 90,431    | 141,073   | 232,268   |
| <b>Free Services</b>   |    |   |           |           |           |           |           |           |           |           |           |           |
| Free Basic Services as a % of Equitable Share                          |    |   | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      |           | 0.0%      | 0.0%      | 0.0%      |
| Free Services as a % of Operating Revenue (excl operational transfers) |    |   | 4.2%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      |           | 0.0%      | 0.0%      | 0.0%      |
| <b>High Level Outcome of Funding Compliance</b>                        |    |   |           |           |           |           |           |           |           |           |           |           |
| Total Operating Revenue  |    |   | 1,343,120 | 1,553,268 | 1,700,967 | 2,024,564 | 1,856,971 | 1,856,971 | 1,856,971 | 2,038,803 | 2,166,672 | 2,312,604 |
| Total Operating Expenditure  |    |   | 1,547,595 | 1,936,686 | 1,942,777 | 2,093,446 | 1,935,823 | 1,935,823 | 1,935,823 | 2,037,974 | 2,163,717 | 2,297,226 |
| Surplus/(Deficit) Budgeted   |    |   |           |           |           |           |           |           |           |           |           |           |
| Operating Statement  |    |   | (204,475) | (383,418) | (241,810) | (68,882)  | (78,852)  | (78,852)  | (78,852)  | 829       | 2,955     | 15,378    |
| Surplus/(Deficit) Considering Reserves and Cash Backing                |    |   | (468,045) | (516,088) | (755,902) | 159,662   | 255,514   | 225,021   | (118,355) | 90,431    | 141,073   | 232,268   |
| MTREF  |    |   |           |           |           |           |           |           |           |           |           |           |
| Funded (1) / Unfunded (0)  | 15 | 0 | 0         | 0         | 1         | 1         | 1         | 0         | 1         | 1         | 1         | 1         |
| MTREF  |    |   |           |           |           |           |           |           |           |           |           |           |
| Funded ✓ / Unfunded ✗  | 15 | ✗ | ✗         | ✗         | ✓         | ✓         | ✓         | ✗         | ✓         | ✓         | ✓         | ✓         |

#### References

#### 2.6.2.1 Cash/cash equivalent position

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

#### 2.6.2.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 20. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

#### **2.6.2.3 Monthly average payments covered by cash or cash equivalents**

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as service delivery protests. This measure will have to be carefully monitored going forward.

#### **2.6.2.4 Surplus/deficit excluding depreciation offsets**

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

#### **2.6.2.5 Property Rates/service charge revenue as a percentage increase less macro inflation target**

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

#### **2.6.2.6 Cash receipts as a percentage of ratepayer and other revenue**

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyze the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

#### **2.6.2.7 Debt impairment expense as a percentage of billable revenue**

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues.

#### **2.6.2.8 Capital payments percentage of capital expenditure**

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position.

#### **2.6.2.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)**

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded'

capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded.

#### **2.6.2.10 Transfers/grants revenue as a percentage of Government transfers/grants available**

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The municipality has budgeted for all transfers.

#### **2.6.2.11 Consumer debtors change (Current and Non-current)**

The purpose of these measures are to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position.

#### **2.6.2.12 Repairs and maintenance expenditure level**

This measure must be considered important within the context of the funding measures criteria cause a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected.

#### **2.6.2.13 Asset renewal/rehabilitation expenditure level**

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorize each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarize and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets.

### **2.7 Expenditure on grants and reconciliations of unspent funds**

**Table 30 MBRR SA19 – Expenditure on transfers and grants programmes**

GT485 Rand West City - Supporting Table SA19 Expenditure on transfers and grant programme

| Description  | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| R thousand   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| EXPENDITURE:   | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Operating expenditure of Transfers and Grants</u> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:                                 |     | 185,683         | 246,438         | 245,507         | 313,792              | 313,792         | –                  | 342,819   | 372,574                | 403,827                |
| Local Government Equitable Share                     |     | 178,750         | 239,112         | 239,112         | 303,723              | 303,723         |                    | 331,821   | 363,446                | 394,706                |
| Finance Management                                   |     | 2,950           | 3,100           | 3,170           | 2,500                | 2,500           |                    | 2,000   | 2,200                  | 2,400                  |
| Municipal Systems Improvement                        |     |                 |                 |                 |                      |                 |                    | 2,000   | 2,000                  | 1,500                  |

|  |  |         |         |         |         |         |   |         |         |         |
|--|--|---------|---------|---------|---------|---------|---|---------|---------|---------|
| EPWP Incentive   |  |         |         |         | 3,011   | 3,011   |   | 2,471   |         |         |
| Other transfers/grants [insert description] : MIG        |  | 3,983   | 4,226   | 3,225   | 4,558   | 4,558   |   | 4,527   | 4,928   | 5,221   |
| Provincial Government:                                   |  | –       | 19,249  | 19,284  | 18,317  | 18,317  | – | 28,162  | –       | –       |
| Sport and Recreation                                     |  |         | 19,249  | 19,284  | 18,317  | 18,317  |   | 28,162  | –       | –       |
| Other transfers/grants [insert description] : MIG        |  |         |         |         |         |         |   |         |         |         |
| District Municipality:                                   |  | –       | –       | –       | –       | –       | – | –       | –       | –       |
| [insert description]                                     |  |         |         |         |         |         |   |         |         |         |
| Other grant providers:                                   |  | –       | –       | –       | –       | –       | – | –       | –       | –       |
| [insert description]                                     |  |         |         |         |         |         |   |         |         |         |
| Total operating expenditure of Transfers and Grants:     |  | 185,683 | 265,687 | 264,791 | 332,109 | 332,109 | – | 370,981 | 372,574 | 403,827 |
| Capital expenditure of Transfers and Grants              |  |         |         |         |         |         |   |         |         |         |
| National Government:                                     |  | 106,093 | 130,453 | 159,748 | 182,088 | 178,524 | – | 174,712 | 195,551 | 226,778 |
| Municipal Infrastructure Grant (MIG)                     |  | 76,093  | 83,453  | 88,750  | 86,597  | 88,033  |   | 86,007  | 98,551  | 104,418 |
|  |  |         | 12,000  | 10,000  | 25,600  | 25,600  |   | 46,245  | 42,000  | 42,000  |
|  |  |         |         | 5,998   | 5,000   | –       |   | 4,000   | 5,000   | 7,000   |
| Other capital transfers/grants [insert desc]: WSIG       |  | 30,000  | 35,000  | 55,000  | 64,891  | 64,891  |   | 38,460  | 50,000  | 73,360  |
| Provincial Government:                                   |  | –       | 2,076   | 1,000   | –       | –       | – | 75,083  | 77,419  | –       |
| Human Settlement   |  |         |         |         |         |         |   | 73,383  | 77,419  | –       |
| Other capital transfers/grants [insert description]:SRAC |  |         | 2,076   | 1,000   |         |         |   | 1,700   | –       | –       |
| District Municipality:                                   |  | –       | –       | –       | –       | –       | – | –       | –       | –       |
| [insert description]                                     |  |         |         |         |         |         |   |         |         |         |
| Other grant providers:                                   |  | –       | –       | –       | –       | –       | – | –       | –       | –       |
| [insert description]                                     |  |         |         |         |         |         |   |         |         |         |
| Total capital expenditure of Transfers and Grants        |  | 106,093 | 132,529 | 160,748 | 182,088 | 178,524 | – | 249,795 | 272,970 | 226,778 |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS                |  | 291,776 | 398,216 | 425,539 | 514,197 | 510,633 | – | 620,776 | 645,544 | 630,605 |

Table 31 MBRR SA20 - Reconciliation between transfers, grants receipts and unspent

## GT485 Rand West City - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

| Description<br><br>R thousand                           | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <b>Operating transfers and grants:</b>                  | 1,3 |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:                                    |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Current year receipts                                   |     | 230,508         | 286,988         | 411,893         | 314,692              | 313,606         | 313,606            | 342,819   | 393,240                | 416,834                |
| Conditions met - transferred to revenue                 |     | 230,508         | 286,988         | 411,893         | 314,692              | 313,606         | 313,606            | 342,819   | 393,240                | 416,834                |
| Conditions still to be met - transferred to liabilities |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Provincial Government:                                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Current year receipts                                   |     | 25,976          | 31,250          | 23,662          | 25,717               | 25,717          | 25,717             | 28,162  | -                      | -                      |
| Conditions met - transferred to revenue                 |     | 25,976          | 31,250          | 23,662          | 25,717               | 25,717          | 25,717             | 28,162  | -                      | -                      |
| Conditions still to be met - transferred to liabilities |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| District Municipality:                                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Current year receipts                                   |     | 2,296           | 2,228           | 2,580           | 2,351                | 2,351           | 2,351              | -   | -                      | -                      |
| Conditions met - transferred to revenue                 |     | 2,296           | 2,228           | 2,580           | 2,351                | 2,351           | 2,351              | -   | -                      | -                      |
| Conditions still to be met - transferred to liabilities |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other grant providers:                                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Current year receipts                                   |     | 1,810           | 1,725           |                 | 1,850                |                 |                    | -   | -                      | -                      |
| Conditions met - transferred to revenue                 |     | 1,810           | 1,725           | -               | 1,850                | -               | -                  | -   | -                      | -                      |
| Conditions still to be met - transferred to liabilities |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Total operating transfers and grants revenue</b>     |     | 260,590         | 322,191         | 438,136         | 344,610              | 341,674         | 341,674            | 370,981   | 393,240                | 416,834                |
| <b>Total operating transfers and grants - CTBM</b>      | 2   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Capital transfers and grants:</b>                    | 1,3 |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:                                    |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Current year receipts                                   |     | 201,237         | 164,082         | 153,450         | 182,160              | 183,628         | 183,628            | 174,712   | 195,551                | 226,778                |
| Conditions met - transferred to revenue                 |     | 201,237         | 164,082         | 153,450         | 182,160              | 183,628         | 183,628            | 174,712   | 195,551                | 226,778                |
| Conditions still to be met - transferred to liabilities |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Provincial Government:                                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |

|   |   |         |         |         |         |         |         |         |         |         |
|---|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Current year receipts                                   |   | 22,958  | 69,621  | 89,383  | 75,183  | 30,183  | 30,183  | 75,083  | 77,419  | –       |
| Conditions met - transferred to revenue                 |   | 22,958  | 69,621  | 87,035  | 75,183  | 30,183  | 30,183  | 75,083  | 77,419  | –       |
| Conditions still to be met - transferred to liabilities |   |         |         |         |         |         |         |         |         |         |
| District Municipality:                                  |   |         |         |         |         |         |         |         |         |         |
| Balance unspent at beginning of the year                |   |         |         |         |         |         |         |         |         |         |
| Current year receipts                                   |   |         |         |         |         |         |         |         |         |         |
| Conditions met - transferred to revenue                 |   | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| Conditions still to be met - transferred to liabilities |   |         |         |         |         |         |         |         |         |         |
| Other grant providers:                                  |   |         |         |         |         |         |         |         |         |         |
| Balance unspent at beginning of the year                |   |         |         |         |         |         |         |         |         |         |
| Current year receipts                                   |   |         |         |         |         |         |         |         |         |         |
| Conditions met - transferred to revenue                 |   | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| Conditions still to be met - transferred to liabilities |   |         |         |         |         |         |         |         |         |         |
| Total capital transfers and grants revenue              |   | 224,195 | 233,703 | 240,485 | 257,343 | 213,811 | 213,811 | 249,795 | 272,970 | 226,778 |
| Total capital transfers and grants - CTBM               | 2 | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| TOTAL TRANSFERS AND GRANTS REVENUE                      |   | 484,785 | 555,894 | 678,621 | 601,953 | 555,485 | 555,485 | 620,776 | 666,210 | 643,612 |
| TOTAL TRANSFERS AND GRANTS - CTBM                       |   | –       | –       | –       | –       | –       | –       | –       | –       | –       |

## 2.8 Councillor and employee benefits

**Table 32 MBRR SA22 – Summary of councillors and staff benefits**

GT485 Rand West City - Supporting Table SA22 Summary councillor and staff benefits

| Summary of Employee and Councillor remuneration            | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| R thousand   |     | A               | B               | C               | D                    | E               | F                  | G   | H                      | I                      |
| <b>- Councillors (Political Office Bearers plus Other)</b> | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                   |     | 14,768          | 17,470          | 20,861          | 20,861               | 20,861          | 20,861             | 22,993  | 24,426                 | 25,952                 |
| Pension and UIF Contributions                              |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Medical Aid Contributions                                  |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Motor Vehicle Allowance                                    |     | 4,950           | 5,822           | 5,785           | 5,785                | 5,785           | 5,785              | 6,990   | 7,425                  | 7,889                  |
| Cellphone Allowance  |     | 1,652           | 3,064           | 1,560           | 1,560                | 1,560           | 1,560              | 2,055   | 2,183                  | 2,320                  |
| Housing Allowances   |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Other benefits and allowances                              |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |

|   |   |         |         |         |         |         |         |         |         |         |
|---|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Sub Total - Councillors                     |   | 21,370  | 26,355  | 28,207  | 28,207  | 28,207  | 28,207  | 32,038  | 34,034  | 36,162  |
| % increase                                  | 4 |         | 23.3%   | 7.0%    | -       | -       | -       | 13.6%   | 6.2%    | 6.3%    |
| <u>Senior Managers of the Municipality</u>  | 2 |         |         |         |         |         |         |         |         |         |
| Basic Salaries and Wages                    |   | 6,540   | 7,055   | 7,549   | 7,549   | 7,549   | 7,549   | 9,411   | 9,999   | 10,624  |
| Pension and UIF Contributions               |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Medical Aid Contributions                   |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Overtime                                    |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Performance Bonus                           |   | 190     | 1,783   | 1,908   | 1,908   | 1,908   | 1,908   | 1,503   | 1,503   | 1,503   |
| Motor Vehicle Allowance                     | 3 | -       | 1,405   | -       | -       | -       | -       | 1,026   | 1,090   | 1,158   |
| Cellphone Allowance                         | 3 | -       | 33      | 33      | 33      | 33      | 33      | 126     | 126     | 126     |
| Housing Allowances                          | 3 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Other benefits and allowances               | 3 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Payments in lieu of leave                   |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Long service awards                         |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Post-retirement benefit obligations         | 6 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Sub Total - Senior Managers of Municipality |   | 6,729   | 10,276  | 9,490   | 9,490   | 9,490   | 9,490   | 12,066  | 12,718  | 13,411  |
| % increase                                  | 4 |         | 52.7%   | (7.7%)  | -       | -       | -       | 27.1%   | 5.4%    | 5.4%    |
| <u>Other Municipal Staff</u>                |   |         |         |         |         |         |         |         |         |         |
| Basic Salaries and Wages                    |   | 319,896 | 309,756 | 330,173 | 330,173 | 330,173 | 330,173 | 368,285 | 390,354 | 413,742 |
| Pension and UIF Contributions               |   | 55,983  | 52,271  | 57,026  | 57,026  | 57,026  | 57,026  | 73,478  | 77,887  | 82,560  |
| Medical Aid Contributions                   |   | 36,583  | 32,447  | 33,304  | 33,304  | 33,304  | 33,304  | 55,715  | 59,058  | 62,601  |
| Overtime                                    |   | 23,313  | 10,751  | 11,503  | 11,503  | 11,503  | 11,503  | -       | -       | -       |
| Performance Bonus                           |   | 1,410   | 6,827   | 8,827   | 8,827   | 8,827   | 8,827   | -       | -       | -       |
| Motor Vehicle Allowance                     | 3 | 20,075  | 12,809  | 13,506  | 13,506  | 13,506  | 13,506  | 19,983  | 21,182  | 22,453  |
| Cellphone Allowance                         | 3 | 5,997   | 2,315   | 2,593   | 2,593   | 2,593   | 2,593   | 1,215   | 1,288   | 1,365   |
| Housing Allowances                          | 3 | 5,697   | 4,748   | 4,964   | 4,964   | 4,964   | 4,964   | 12,618  | 13,375  | 14,178  |
| Other benefits and allowances               | 3 | -       | 4,657   | 4,928   | 4,928   | 4,928   | 4,928   | 37,142  | 39,370  | 41,733  |
| Payments in lieu of leave                   |   | -       | 3,213   | 3,437   | 3,437   | 3,437   | 3,437   | -       | -       | -       |
| Long service awards                         |   | -       | 19,263  | 20,687  | 20,687  | 20,687  | 20,687  | -       | -       | -       |
| Post-retirement benefit obligations         | 6 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Sub Total - Other Municipal Staff           |   | 468,954 | 459,056 | 490,948 | 490,948 | 490,948 | 490,948 | 568,436 | 602,514 | 638,632 |
| % increase                                  | 4 |         | (2.1%)  | 6.9%    | -       | -       | -       | 15.8%   | 6.0%    | 6.0%    |



|   |   |         |         |         |         |         |         |         |         |         |
|---|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Total Parent Municipality               |   | 497,053 | 495,688 | 528,644 | 528,644 | 528,644 | 528,644 | 612,540 | 649,266 | 688,204 |
|   |   |         | (0.3%)  | 6.6%    | -       | -       | -       | 15.9%   | 6.0%    | 6.0%    |
| <u>Board Members of Entities</u>        |   |         |         |         |         |         |         |         |         |         |
| Basic Salaries and Wages                |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Pension and UIF Contributions           |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Medical Aid Contributions               |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Overtime                                |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Performance Bonus                       |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Motor Vehicle Allowance                 | 3 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Cellphone Allowance                     | 3 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Housing Allowances                      | 3 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Other benefits and allowances           | 3 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Board Fees                              |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Payments in lieu of leave               |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Long service awards                     |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Post-retirement benefit obligations     | 6 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Sub Total - Board Members of Entities   |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| % increase                              | 4 |         | -       | -       | -       | -       | -       | -       | -       | -       |
| <u>Senior Managers of Entities</u>      |   |         |         |         |         |         |         |         |         |         |
| Basic Salaries and Wages                |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Pension and UIF Contributions           |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Medical Aid Contributions               |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Overtime                                |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Performance Bonus                       |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Motor Vehicle Allowance                 | 3 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Cellphone Allowance                     | 3 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Housing Allowances                      | 3 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Other benefits and allowances           | 3 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Payments in lieu of leave               |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Long service awards                     |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Post-retirement benefit obligations     | 6 | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Sub Total - Senior Managers of Entities |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| % increase                              | 4 |         | -       | -       | -       | -       | -       | -       | -       | -       |

|  |     |         |         |         |         |         |         |         |         |         |
|--|-----|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Other Staff of Entities</b>                 |     |         |         |         |         |         |         |         |         |         |
| Basic Salaries and Wages                       |     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Pension and UIF Contributions                  |     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Medical Aid Contributions                      |     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Overtime                                       |     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Performance Bonus                              |     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Motor Vehicle Allowance                        | 3   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Cellphone Allowance                            | 3   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Housing Allowances                             | 3   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Other benefits and allowances                  | 3   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Payments in lieu of leave                      |     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Long service awards                            |     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Post-retirement benefit obligations            | 6   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <b>Sub Total - Other Staff of Entities</b>     |     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <b>% increase</b>                              | 4   |         | -       | -       | -       | -       | -       | -       | -       | -       |
| <b>Total Municipal Entities</b>                |     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b> |     | 497,053 | 495,688 | 528,644 | 528,644 | 528,644 | 528,644 | 612,540 | 649,266 | 688,204 |
| <b>% increase</b>                              | 4   |         | (0.3%)  | 6.6%    | -       | -       | -       | 15.9%   | 6.0%    | 6.0%    |
| <b>TOTAL MANAGERS AND STAFF</b>                | 5,7 | 475,683 | 469,333 | 500,438 | 500,438 | 500,438 | 500,438 | 580,502 | 615,232 | 652,043 |

References

**Table 33 MBRR SA23-Salaries, allowances and benefits (political office bearers/councillors/senior managers)**

GT485 Rand West City - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

| Disclosure of Salaries, Allowances & Benefits 1. | Ref | No. | Salary    | Contributions | Allowances | Performance Bonuses | In-kind benefits | Total Package |
|--|-----|-----|-----------|---------------|------------|---------------------|------------------|---------------|
| Rand per annum                                   |     |     |           | 1.            |            |                     |                  | 2.            |
| <b>Councillors</b>                               | 3   |     |           |               |            |                     |                  |               |
| Speaker  | 4   |     | 535,596   | -             | 203,090    |                     |                  | 738,686       |
| Chief Whip                                       |     |     | 506,879   | -             | 186,141    |                     |                  | 693,021       |
| Executive Mayor                                  |     |     | 675,825   | -             | 245,205    |                     |                  | 921,030       |
| Deputy Executive Mayor                           |     |     | -         | -             | -          |                     |                  | -             |
| Executive Committee                              |     |     | 4,737,190 | -             | 1,861,518  |                     |                  | 6,598,707     |

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|   |      |   |            |   |           |   |  |            |
|---|------|---|------------|---|-----------|---|--|------------|
|   |      |   |            |   |           |   |  | -          |
|   |      |   |            |   |           |   |  | -          |
|   |      |   |            |   |           |   |  | -          |
|   |      |   |            |   |           |   |  | -          |
|   |      |   |            |   |           |   |  | -          |
|   |      |   |            |   |           |   |  | -          |
|   |      |   |            |   |           |   |  | -          |
|   |      |   |            |   |           |   |  | -          |
|   |      |   |            |   |           |   |  | -          |
|   |      |   |            |   |           |   |  | -          |
| Total for municipal entities                                  | 8,10 | - | -          | - | -         | - |  | -          |
| TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION | 10   | - | 32 877,465 | - | 9,637,497 | - |  | 42,514,962 |

**Table 34 MBRR SA24 – Summary of personnel numbers**

GT485 Rand West City - Supporting Table SA24 Summary  
of personnel numbers

| Summary of Personnel Numbers                                  |   | Re f | 2018/19    |                       |                     | Current Year 2019/20 |                       |                     | Budget Year 2020/21 |                       |                     |
|---|---|------|------------|-----------------------|---------------------|----------------------|-----------------------|---------------------|---------------------|-----------------------|---------------------|
| Number  |   | 1, 2 | Positio ns | Permane nt employe es | Contract employe es | Positio ns           | Permane nt employe es | Contract employe es | Positio ns          | Permane nt employe es | Contract employe es |
| Municipal Council and Boards of Municipal Entities            |   |      |            |                       |                     |                      |                       |                     |                     |                       |                     |
| Councillors (Political Office Bearers plus Other Councillors) |   |      | 69         | –                     | 69                  | 76                   | 2                     | 74                  | 166                 | 91                    | 75                  |
| Board Members of municipal entities                           | 4 |      | –          | –                     | –                   | –                    | –                     | –                   | –                   | –                     | –                   |
| Municipal employees   | 5 |      | –          | –                     | –                   | –                    | –                     | –                   | –                   | –                     | –                   |
| Municipal Manager and Senior Managers                         | 3 |      | 7          | –                     | 7                   | 7                    | –                     | 7                   | 8                   | –                     | 8                   |
| Other Managers  | 7 |      | 57         | 56                    | –                   | 31                   | 8                     | 23                  | 53                  | 52                    | 1                   |
| Professionals   |   |      | 99         | 99                    | –                   | 27                   | 25                    | 2                   | 825                 | 816                   | 9                   |
| Finance   |   |      | 35         | 35                    | –                   | 5                    | 5                     | –                   | 141                 | 132                   | 9                   |
| Spatial/town planning   |   |      | 9          | 9                     | –                   | –                    | –                     | –                   | 39                  | 39                    | –                   |
| Information Technology  |   |      | 1          | 1                     | –                   | –                    | –                     | –                   | –                   | –                     | –                   |
| Roads   |   |      | 2          | 2                     | –                   | –                    | –                     | –                   | 72                  | 72                    | –                   |
| Electricity   |   |      | 2          | 2                     | –                   | –                    | –                     | –                   | 67                  | 67                    | –                   |
| Water   |   |      | 1          | 1                     | –                   | –                    | –                     | –                   | 48                  | 48                    | –                   |

|   |       |       |       |    |         |         |       |       |       |       |
|---|-------|-------|-------|----|---------|---------|-------|-------|-------|-------|
| <i>Sanitation</i>                               |       | 2     | 2     | –  | –       | –       | –     | 45    | 45    | –     |
| <i>Refuse</i>                                   |       | 1     | 1     | –  | –       | –       | –     | 176   | 176   | –     |
| <i>Other</i>                                    |       | 46    | 46    | –  | 22      | 20      | 2     | 237   | 237   | –     |
| <b>Technicians</b>                              |       | 15    | 15    | 1  | 74      | 73      | 1     | 42    | 42    | –     |
| <i>Finance</i>                                  |       | –     | –     | –  | –       | –       | –     | –     | –     | –     |
| <i>Spatial/town planning</i>                    |       | –     | –     | –  | 15      | 14      | 1     | –     | –     | –     |
| <i>Information Technology</i>                   |       | 15    | 15    | –  | 4       | 4       | –     | 16    | 16    | –     |
| <i>Roads</i>                                    |       | –     | –     | –  | 7       | 7       | –     | 14    | 14    | –     |
| <i>Electricity</i>                              |       | –     | –     | –  | 23      | 23      | –     | 12    | 12    | –     |
| <i>Water</i>                                    |       | –     | –     | –  | 8       | 8       | –     | –     | –     | –     |
| <i>Sanitation</i>                               |       | –     | –     | –  | 11      | 11      | –     | –     | –     | –     |
| <i>Refuse</i>                                   |       | –     | –     | –  | –       | –       | –     | –     | –     | –     |
| <i>Other</i>                                    |       | –     | –     | 1  | 6       | 6       | –     | –     | –     | –     |
| <b>Clerks (Clerical and administrative)</b>     |       | 218   | 207   | 11 | 194     | 170     | 24    | –     | –     | –     |
| <b>Service and sales workers</b>                |       | –     | –     | –  | –       | –       | –     | –     | –     | –     |
| <b>Skilled agricultural and fishery workers</b> |       | –     | –     | –  | –       | –       | –     | –     | –     | –     |
| <b>Craft and related trades</b>                 |       | 2     | 2     | –  | –       | –       | –     | –     | –     | –     |
| <b>Plant and Machine Operators</b>              |       | 114   | 114   | –  | 94      | 94      | –     | 21    | 21    | –     |
| <b>Elementary Occupations</b>                   |       | 756   | 756   | –  | 524     | 394     | –     | 542   | 426   | 116   |
| <b>TOTAL PERSONNEL NUMBERS</b>                  | 9     | 1,337 | 1,249 | 88 | 1,027   | 766     | 131   | 1,657 | 1,448 | 209   |
| <b>% increase</b>                               |       |       |       |    | (23.2%) | (38.7%) | 48.9% | 61.3% | 89.0% | 59.5% |
| <b>Total municipal employees headcount</b>      | 6,108 | –     | –     | –  | –       | –       | –     | –     | –     | –     |
| <b>Finance personnel headcount</b>              | 10    | –     | –     | –  | –       | –       | –     | –     | –     | –     |
| <b>Human Resources personnel headcount</b>      | 8,10  | –     | –     | –  | –       | –       | –     | –     | –     | –     |

## 2.9 Monthly targets for revenue, expenditure and cash flow

**Table 35 MBRR SA25 – Budgeted monthly revenue and expenditure**

GT485 Rand West City - Supporting Table SA25  
Budgeted monthly revenue and expenditure

| Description                            | R<br>ef | Budget Year 2020/21 |            |           |             |              |              |             |              |           |           |        |        | Medium Term Revenue and Expenditure Framework |   |   |
|--|---------|---------------------|------------|-----------|-------------|--------------|--------------|-------------|--------------|-----------|-----------|--------|--------|---|---|---|
|  |         | July                | Aug<br>ust | Sept<br>. | Oct<br>ober | Nove<br>mber | Dece<br>mber | Jan<br>uary | Febr<br>uary | Mar<br>ch | Apri<br>l | May    | June   | Budg<br>et<br>Year<br>2020/<br>21             | Budg<br>et<br>Year<br>+1<br>2021/<br>22 | Budg<br>et<br>Year<br>+2<br>2022/<br>23 |
| <u>Revenue By Source</u>               | -       |                     |            |           |             |              |              |             |              |           |           |        |        |   |   |   |
| Property rates                         |         | 21,372              | 21,372     | 21,372    | 21,372      | 21,372       | 21,372       | 21,372      | 21,372       | 21,372    | 21,372    | 21,372 | 24,526 | 259,616                                       | 276,231                                 | 303,855                                 |
| Service charges - electricity revenue  |         | 98,404              | 101,299    | 57,885    | 57,885      | 57,885       | 54,991       | 54,991      | 64,789       | 65,121    | 72,356    | 94,063 | 3,219  | 782,887                                       | 831,740                                 | 883,640                                 |
| Service charges - water revenue        |         | 21,531              | 21,531     | 26,914    | 40,526      | 40,526       | 47,905       | 24,761      | 21,531       | 21,531    | 21,531    | 21,531 | 52,994 | 362,814                                       | 384,583                                 | 407,658                                 |
| Service charges - sanitation revenue   |         | 4,606               | 4,606      | 4,606     | 4,606       | 4,606        | 4,606        | 4,606       | 4,606        | 4,606     | 4,606     | 4,606  | 27,049 | 77,716  | 82,379                                  | 87,321                                  |
| Service charges - refuse revenue       |         | 6,580               | 6,580      | 6,580     | 6,580       | 6,580        | 6,580        | 6,580       | 6,580        | 6,580     | 6,580     | 6,580  | 8,522  | 80,898  | 85,752                                  | 90,898                                  |
| Rental of facilities and equipment     |         | 147                 | 147        | 147       | 147         | 147          | 147          | 147         | 147          | 147       | 147       | 147    | 147    | 1,764   | 1,941                                   | 2,135                                   |
| Interest earned - external investments |         | 318                 | 318        | 318       | 318         | 318          | 318          | 318         | 318          | 318       | 318       | 318    | 318    | 3,821   | 4,050                                   | 4,293                                   |
| Interest earned - outstanding debtors  |         | 3,157               | 3,157      | 3,157     | 3,157       | 3,157        | 3,157        | 3,157       | 3,157        | 3,157     | 3,157     | 3,157  | 6,946  | 41,675  | 45,842                                  | 50,426                                  |
| Dividends received                     |         | -                   | -          | -         | -           | -            | -            | -           | -            | -         | -         | -      | 56     | 56  | 60                                      | 63                                      |
| Fines, penalties and forfeits          |         | 682                 | 682        | 682       | 682         | 682          | 682          | 682         | 682          | 682       | 682       | 682    | 6,360  | 13,859  | 14,690                                  | 15,573                                  |
| Licences and permits                   |         | -                   | -          | -         | -           | -            | -            | -           | -            | -         | -         | -      | 116    | 116   | 123                                     | 131                                     |
| Agency services                        |         | 1,550               | 1,550      | 1,550     | 1,550       | 1,550        | 1,550        | 1,550       | 1,550        | 1,550     | 1,550     | 1,550  | 3,410  | 20,459  | 21,687                                  | 22,988                                  |
| Transfers and subsidies                |         | 190,000             | -          | -         | -           | -            | 90,000       | -           | -            | 90,981    | -         | -      | 0      | 370,981                                       | 393,240                                 | 416,834                                 |
| Other revenue                          |         | 1,845               | 1,845      | 1,845     | 1,845       | 1,845        | 1,845        | 1,845       | 1,845        | 1,845     | 1,845     | 1,845  | 1,845  | 22,140  | 24,354                                  | 26,789                                  |
| Gains                                  |         | -                   | -          | -         | -           | -            | -            | -           | -            | -         | -         | -      | -      | -   | -                                       | -                                       |

|   |         |         |          |          |          |         |          |          |         |          |          |           |           |           |           |
|---|---------|---------|----------|----------|----------|---------|----------|----------|---------|----------|----------|-----------|-----------|-----------|-----------|
| Total Revenue (excluding capital transfers and contributions )  | 350,192 | 163,087 | 125,056  | 138,668  | 138,668  | 233,153 | 120,008  | 126,577  | 217,889 | 134,144  | 155,851  | 135,508   | 2,038,803 | 2,166,672 | 2,312,604 |
| <u>Expenditure By Type</u>  | -       |         |          |          |          |         |          |          |         |          |          |           |           |           |           |
| Employee related costs  | 48,400  | 48,400  | 48,400   | 48,400   | 48,400   | 48,400  | 48,400   | 48,400   | 48,400  | 48,400   | 48,400   | 48,400    | 580,797   | 615,644   | 652,583   |
| Remuneration of councillors   | 2,670   | 2,670   | 2,670    | 2,670    | 2,670    | 2,670   | 2,670    | 2,670    | 2,670   | 2,670    | 2,670    | 2,670     | 32,038    | 33,960    | 35,998    |
| Debt impairment   | 8,493   | 8,493   | 8,493    | 8,493    | 8,493    | 8,493   | 8,493    | 8,493    | 8,493   | 8,493    | 8,493    | 8,493     | 101,918   | 108,033   | 114,515   |
| Depreciation & asset impairment   | 15,875  | 15,875  | 15,875   | 15,875   | 15,875   | 15,875  | 15,875   | 15,875   | 15,875  | 15,875   | 15,875   | 15,875    | 190,500   | 201,930   | 214,046   |
| Finance charges   | 4,644   | 4,644   | 2,946    | 2,946    | 3,007    | 2,702   | 2,702    | 3,007    | 3,252   | 3,252    | 4,644    | 7,221     | 44,968    | 47,666    | 50,526    |
| Bulk purchases  | 72,178  | 72,178  | 72,178   | 72,178   | 72,178   | 72,178  | 72,178   | 72,178   | 72,178  | 72,178   | 72,178   | 72,178    | 866,141   | 921,574   | 980,555   |
| Other materials   | 206     | 206     | 206      | 206      | 206      | 206     | 206      | 206      | 206     | 206      | 206      | 206       | 2,475     | 2,623     | 2,780     |
| Contracted services   | 10,953  | 10,953  | 10,953   | 10,953   | 10,953   | 10,953  | 10,953   | 10,953   | 10,953  | 10,953   | 10,953   | 10,953    | 131,431   | 139,317   | 147,676   |
| Transfers and subsidies   | -       | -       | -        | -        | -        | -       | -        | -        | -       | -        | -        | -         | -         | -         | -         |
| Other expenditure   | 7,309   | 7,309   | 7,309    | 7,309    | 7,309    | 7,309   | 7,309    | 7,309    | 7,309   | 7,309    | 7,309    | 7,309     | 87,706    | 92,969    | 98,546    |
| Losses  | -       | -       | -        | -        | -        | -       | -        | -        | -       | -        | -        | -         | -         | -         | -         |
| Total Expenditure   | 170,728 | 170,728 | 169,030  | 169,030  | 169,091  | 168,786 | 168,786  | 169,091  | 169,336 | 169,336  | 170,728  | 173,305   | 2,037,974 | 2,163,717 | 2,297,226 |
| Surplus/(Deficit)   | 179,464 | (7,641) | (43,974) | (30,362) | (30,423) | 64,367  | (48,777) | (42,514) | 48,554  | (35,191) | (14,877) | (37,797)  | 829       | 2,955     | 15,378    |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)   | 140,000 | -       | 1,700    | -        | -        | 68,000  | -        | -        | 40,095  | -        | -        | (249,795) | -         | -         | -         |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, | -       | -       | -        | -        | -        | -       | -        | -        | -       | -        | -        | -         | -         | -         | -         |

|  |   |         |         |          |          |          |         |          |          |        |          |          |           |     |       |        |
|--|---|---------|---------|----------|----------|----------|---------|----------|----------|--------|----------|----------|-----------|-----|-------|--------|
| Private Enterprises, Public Corporations, Higher Educational Institutions) Transfers and subsidies - capital (in-kind - all) |   | -       | -       | -        | -        | -        | -       | -        | -        | -      | -        | -        | -         | -   | -     | -      |
| Surplus/(Deficit) after capital transfers & contributions  |   | 319,464 | (7,641) | (42,274) | (30,362) | (30,423) | 132,367 | (48,777) | (42,514) | 88,649 | (35,191) | (14,877) | (287,592) | 829 | 2,955 | 15,378 |
| Taxation Attributable to minorities  |   | -       | -       | -        | -        | -        | -       | -        | -        | -      | -        | -        | -         | -   | -     | -      |
| Share of surplus/(deficit) of associate  |   | -       | -       | -        | -        | -        | -       | -        | -        | -      | -        | -        | -         | -   | -     | -      |
| Surplus/(Deficit)  | 1 | 319,464 | (7,641) | (42,274) | (30,362) | (30,423) | 132,367 | (48,777) | (42,514) | 88,649 | (35,191) | (14,877) | (287,592) | 829 | 2,955 | 15,378 |

**Table 36 MBRR SA26 – Budgeted monthly revenue and expenditure (municipal vote)**

GT485 Rand West City - Supporting Table SA26  
Budgeted monthly revenue and expenditure (municipal vote)

| Description                                | R ef | Budget Year 2020/21 |         |         |          |           |           |          |           |         |         |         |         | Medium Term Revenue and Expenditure Framework |                          |                          |
|--|------|---------------------|---------|---------|----------|-----------|-----------|----------|-----------|---------|---------|---------|---------|---|--------------------------|--------------------------|
|  |      | July                | Aug ust | Sep t.  | Oct ober | Nove mber | Dece mber | Jan uary | Febr uary | Mar ch  | Apri l  | May     | Jun e   | Bud get Year 2020/ 21                         | Bud get Year +1 2021/ 22 | Bud get Year +2 2022/ 23 |
| <b>Revenue by Vote</b>                     | -    |                     |         |         |          |           |           |          |           |         |         |         |         |   |                          |                          |
| Vote 1 - MUNICIPAL MANAGEMENT OFFICE       |      | 3,006               | -       | -       | -        | -         | 3,006     | -        | -         | 3,006   | -       | -       | -       | 9,019   | 9,840                    | 10,745                   |
| Vote 2 - INFRASTRUCTURE SERVICES           |      | 108,055             | 108,055 | 108,055 | 108,055  | 108,055   | 108,055   | 108,055  | 108,055   | 108,055 | 108,055 | 108,055 | 108,055 | 1,296,654                                     | 1,389,925                | 1,473,039                |
| Vote 3 - COMMUNITY SERVICES                |      | 12,586              | 12,586  | 12,586  | 12,586   | 12,586    | 12,586    | 12,586   | 12,586    | 12,586  | 12,586  | 12,586  | 12,586  | 151,030                                       | 141,279                  | 148,487                  |
| Vote 4 - ECONOMIC DEVELOPMENT and PLANNING |      | 476                 | 476     | 476     | 476      | 476       | 476       | 476      | 476       | 476     | 476     | 476     | 476     | 5,707   | 3,560                    | 3,916                    |
| Vote 5 - GOVERNANCE and TRANSFORMA         |      | 23,513              | -       | -       | -        | -         | 23,513    | -        | -         | 23,513  | -       | -       | -       | 70,540  | 76,777                   | 80,766                   |



| TION SERVICES                                   |   |         |         |         |         |         |         |         |         |         |         |         |         |           |           |           |
|---|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|
| Vote 6 - FINANCIAL MANAGEMENT SERVICES          |   | 32,183  | 32,183  | 32,183  | 32,183  | 32,183  | 32,183  | 32,183  | 32,183  | 32,183  | 32,183  | 32,183  | 12,593  | 366,611   | 393,377   | 432,149   |
| Vote 7 - CORPORATE SUPPORT SERVICES             |   | 20,341  | -       | -       | -       | -       | 20,341  | -       | -       | 20,341  | -       | -       | -       | 61,024    | 66,580    | 72,707    |
| Vote 8 - CHIEF INFORMATION OFFICER              |   | 8,504   | -       | -       | -       | -       | 8,504   | -       | -       | 8,504   | -       | -       | -       | 25,513    | 27,834    | 28,005    |
| Vote 9 - INTERNAL AUDITING                      |   | 2,567   | -       | -       | -       | -       | 2,567   | -       | -       | 2,567   | -       | -       | -       | 7,702     | 8,403     | 9,176     |
| Vote 10 - POLITICAL OFFICE and IGR              |   | 15,001  | -       | -       | -       | -       | 15,001  | -       | -       | 15,001  | -       | -       | -       | 45,002    | 49,097    | 53,614    |
| Vote 11 - [NAME OF VOTE 11]                     |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         |
| Vote 12 - [NAME OF VOTE 12]                     |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         |
| Vote 13 - [NAME OF VOTE 13]                     |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         |
| Vote 14 - [NAME OF VOTE 14]                     |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         |
| Vote 15 - [NAME OF VOTE 15]                     |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         |
| Total Revenue by Vote                           |   | 226,233 | 153,299 | 153,299 | 153,299 | 153,299 | 226,233 | 153,299 | 153,299 | 226,233 | 153,299 | 153,299 | 133,709 | 2,038,803 | 2,166,672 | 2,312,604 |
| Expenditure by Vote to be appropriated          | - |         |         |         |         |         |         |         |         |         |         |         |         |           |           |           |
| Vote 1 - MUNICIPAL MANAGEMENT OFFICE            |   | 718     | 718     | 718     | 718     | 718     | 718     | 718     | 718     | 718     | 718     | 718     | 1,116   | 9,019     | 9,560     | 10,134    |
| Vote 2 - INFRASTRUCTURE SERVICES                |   | 107,091 | 107,091 | 107,091 | 107,091 | 107,091 | 107,091 | 107,091 | 107,091 | 107,091 | 107,091 | 107,091 | 65,430  | 1,243,426 | 1,322,077 | 1,405,086 |
| Vote 3 - COMMUNITY SERVICES                     |   | 22,123  | 22,123  | 22,123  | 22,123  | 22,123  | 22,123  | 22,123  | 22,123  | 22,123  | 22,123  | 22,123  | 22,123  | 265,476   | 281,404   | 298,289   |
| Vote 4 - ECONOMIC DEVELOPMENT and PLANNING      |   | 2,109   | 2,109   | 2,109   | 2,109   | 2,109   | 2,109   | 2,109   | 2,109   | 2,109   | 2,109   | 2,109   | 1,678   | 24,874    | 26,367    | 24,810    |
| Vote 5 - GOVERNANCE and TRANSFORMATION SERVICES |   | 1,266   | 1,266   | 1,266   | 1,266   | 1,266   | 1,266   | 1,266   | 1,266   | 1,266   | 1,266   | 1,266   | 2,777   | 16,708    | 17,710    | 18,773    |
| Vote 6 - FINANCIAL MANAGEMENT SERVICES          |   | 16,709  | 16,709  | 16,709  | 16,709  | 16,709  | 16,709  | 16,709  | 16,709  | 16,709  | 16,709  | 16,709  | 11,388  | 195,191   | 206,901   | 222,455   |

|  |   |             |              |              |              |              |             |              |              |             |              |              |             |               |               |               |
|--|---|-------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|-------------|---------------|---------------|---------------|
| Vote 7 -<br>CORPORATE<br>SUPPORT<br>SERVICES   |   | 13,2<br>31  | 13,2<br>31   | 13,2<br>31   | 13,2<br>31   | 13,23<br>1   | 13,23<br>1  | 13,2<br>31   | 13,2<br>31   | 13,2<br>31  | 13,2<br>31   | 13,2<br>31   | 13,2<br>31  | 158,7<br>76   | 167,7<br>23   | 177,7<br>87   |
| Vote 8 -<br>CHIEF<br>INFORMATION<br>OFFICER    |   | 2,12<br>7   | 2,12<br>7    | 2,12<br>7    | 2,12<br>7    | 2,127        | 2,127       | 2,12<br>7    | 2,12<br>7    | 2,12<br>7   | 2,12<br>7    | 2,12<br>7    | 2,12<br>7   | 25,52<br>8    | 27,06<br>0    | 28,68<br>3    |
| Vote 9 -<br>INTERNAL<br>AUDITING               |   | 605         | 605          | 605          | 605          | 605          | 605         | 605          | 605          | 605         | 605          | 605          | 1,04<br>5   | 7,702         | 8,164         | 8,654         |
| Vote 10 -<br>POLITICAL<br>OFFICE and<br>IGR    |   | 7,25<br>2   | 7,25<br>2    | 7,25<br>2    | 7,25<br>2    | 7,252        | 7,252       | 7,25<br>2    | 7,25<br>2    | 7,25<br>2   | 7,25<br>2    | 7,25<br>2    | 11,4<br>98  | 91,27<br>4    | 96,75<br>0    | 102,5<br>55   |
| Vote 11 -<br>[NAME OF<br>VOTE 11]              |   | -           | -            | -            | -            | -            | -           | -            | -            | -           | -            | -            | -           | -             | -             | -             |
| Vote 12 -<br>[NAME OF<br>VOTE 12]              |   | -           | -            | -            | -            | -            | -           | -            | -            | -           | -            | -            | -           | -             | -             | -             |
| Vote 13 -<br>[NAME OF<br>VOTE 13]              |   | -           | -            | -            | -            | -            | -           | -            | -            | -           | -            | -            | -           | -             | -             | -             |
| Vote 14 -<br>[NAME OF<br>VOTE 14]              |   | -           | -            | -            | -            | -            | -           | -            | -            | -           | -            | -            | -           | -             | -             | -             |
| Vote 15 -<br>[NAME OF<br>VOTE 15]              |   | -           | -            | -            | -            | -            | -           | -            | -            | -           | -            | -            | -           | -             | -             | -             |
| Total<br>Expenditure by<br>Vote                |   | 173,<br>233 | 173,<br>233  | 173,<br>233  | 173,<br>233  | 173,2<br>33  | 173,2<br>33 | 173,<br>233  | 173,<br>233  | 173,<br>233 | 173,<br>233  | 173,<br>233  | 132,<br>413 | 2,037<br>,974 | 2,163<br>,717 | 2,297<br>,226 |
| Surplus/(Deficit<br>) before assoc.            |   | 53,0<br>00  | (19,<br>933) | (19,<br>933) | (19,<br>933) | (19,9<br>33) | 53,00<br>0  | (19,<br>933) | (19,9<br>33) | 53,0<br>00  | (19,<br>933) | (19,<br>933) | 1,29<br>5   | 829           | 2,955         | 15,37<br>8    |
| Taxation<br>Attributable to<br>minorities      |   | -           | -            | -            | -            | -            | -           | -            | -            | -           | -            | -            | -           | -             | -             | -             |
| Share of<br>surplus/ (deficit)<br>of associate |   | -           | -            | -            | -            | -            | -           | -            | -            | -           | -            | -            | -           | -             | -             | -             |
| Surplus/(Deficit<br>)                          | 1 | 53,0<br>00  | (19,<br>933) | (19,<br>933) | (19,<br>933) | (19,9<br>33) | 53,00<br>0  | (19,<br>933) | (19,9<br>33) | 53,0<br>00  | (19,<br>933) | (19,<br>933) | 1,29<br>5   | 829           | 2,955         | 15,37<br>8    |

References

**Table 37 MBRR SA27 – Budgeted monthly revenue and expenditure (standard classification)**

GT485 Rand West City - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

| Description | R ef | Budget Year 2020/21 |            |           |             |              |              |             |              |           |           |     |          | Medium Term Revenue and Expenditure Framework |                          |                          |
|-------------|------|---------------------|------------|-----------|-------------|--------------|--------------|-------------|--------------|-----------|-----------|-----|----------|---|--------------------------|--------------------------|
|             |      | July                | Aug<br>ust | Sep<br>t. | Octo<br>ber | Nove<br>mber | Dece<br>mber | Jan<br>uary | Febr<br>uary | Mar<br>ch | Apri<br>l | May | Jun<br>e | Budg<br>et<br>Year<br>2020/<br>21             | Budg<br>et<br>Year<br>+1 | Budg<br>et<br>Year<br>+2 |
| R thousand  |      |                     |            |           |             |              |              |             |              |           |           |     |          |   |                          |                          |

|   |   |         |         |         |         |         |         |         |         |         |         |         |         |           | 2021/<br>22 | 2022/<br>23 |
|---|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-------------|-------------|
| <b>Revenue - Functional Governance and administration</b> | - | 49,816  | 47,249  | 47,249  | 47,249  | 47,249  | 49,816  | 47,249  | 47,249  | 49,816  | 47,249  | 47,249  | 47,249  | 574,684   | 620,387     | 679,296     |
| Executive and council Finance and administration          |   | 4,502   | 4,502   | 4,502   | 4,502   | 4,502   | 4,502   | 4,502   | 4,502   | 4,502   | 4,502   | 4,502   | 4,502   | 54,021    | 58,937      | 64,359      |
| Internal audit  |   | 42,747  | 42,747  | 42,747  | 42,747  | 42,747  | 42,747  | 42,747  | 42,747  | 42,747  | 42,747  | 42,747  | 42,747  | 512,961   | 553,047     | 605,761     |
| Community and public safety                               |   | 2,567   | -       | -       | -       | -       | 2,567   | -       | -       | 2,567   | -       | -       | -       | 7,702     | 8,403       | 9,176       |
| Community and social services                             |   | 4,341   | 4,341   | 4,341   | 4,341   | 4,341   | 4,341   | 4,341   | 4,341   | 4,341   | 4,341   | 4,341   | 4,341   | 52,090    | 25,498      | 27,175      |
| Sport and recreation                                      |   | 2,495   | 2,495   | 2,495   | 2,495   | 2,495   | 2,495   | 2,495   | 2,495   | 2,495   | 2,495   | 2,495   | 2,495   | 29,935    | 1,951       | 2,146       |
| Public safety   |   | 74      | 74      | 74      | 74      | 74      | 74      | 74      | 74      | 74      | 74      | 74      | 74      | 882       | 971         | 1,068       |
| Housing   |   | 1,773   | 1,773   | 1,773   | 1,773   | 1,773   | 1,773   | 1,773   | 1,773   | 1,773   | 1,773   | 1,773   | 1,773   | 21,272    | 22,576      | 23,962      |
| Health  |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -           | -           |
| Economic and environmental services                       |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -           | -           |
| Planning and development                                  |   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 16,434    | 15,080      | 11,783      |
| Road transport  |   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 1,369   | 16,434    | 15,080      | 11,783      |
| Environmental protection                                  |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -           | -           |
| Trading services  |   | 116,300 | 116,300 | 116,300 | 116,300 | 116,300 | 116,300 | 116,300 | 116,300 | 116,300 | 116,300 | 116,300 | 116,300 | 1,395,595 | 1,505,707   | 1,594,351   |
| Energy sources  |   | 70,653  | 70,653  | 70,653  | 70,653  | 70,653  | 70,653  | 70,653  | 70,653  | 70,653  | 70,653  | 70,653  | 70,653  | 847,833   | 913,918     | 968,181     |
| Water management  |   | 31,091  | 31,091  | 31,091  | 31,091  | 31,091  | 31,091  | 31,091  | 31,091  | 31,091  | 31,091  | 31,091  | 31,091  | 373,088   | 395,730     | 419,763     |
| Waste water management                                    |   | 6,311   | 6,311   | 6,311   | 6,311   | 6,311   | 6,311   | 6,311   | 6,311   | 6,311   | 6,311   | 6,311   | 6,311   | 75,734    | 80,278      | 85,094      |
| Waste management  |   | 8,245   | 8,245   | 8,245   | 8,245   | 8,245   | 8,245   | 8,245   | 8,245   | 8,245   | 8,245   | 8,245   | 8,245   | 98,940    | 115,781     | 121,312     |
| Other   |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -           | -           |
| <b>Total Revenue - Functional</b>                         |   | 171,826 | 169,258 | 169,258 | 169,258 | 169,258 | 171,826 | 169,258 | 169,258 | 171,826 | 169,258 | 169,258 | 169,258 | 2,038,803 | 2,166,672   | 2,312,604   |

|  |  | 248,277 | 248,277 | 248,277 | 248,277 | 250,844 | 248,277 | 248,277 | 250,844 | 248,277 | 248,277 |         |           |           |           |
|--|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|
| <b>Expenditure - Functional</b>            |  |         |         |         |         |         |         |         |         |         |         |         |           |           |           |
| <i>Governance and administration</i>       |  | 39,699  | 39,699  | 39,699  | 39,699  | 39,699  | 39,699  | 39,699  | 39,699  | 39,699  | 39,699  | 39,699  | 476,392   | 504,976   | 535,275   |
| Executive and council                      |  | 8,358   | 8,358   | 8,358   | 8,358   | 8,358   | 8,358   | 8,358   | 8,358   | 8,358   | 8,358   | 8,358   | 100,293   | 106,311   | 112,689   |
| Finance and administration                 |  | 30,700  | 30,700  | 30,700  | 30,700  | 30,700  | 30,700  | 30,700  | 30,700  | 30,700  | 30,700  | 30,700  | 368,397   | 390,501   | 413,931   |
| Internal audit                             |  | 642     | 642     | 642     | 642     | 642     | 642     | 642     | 642     | 642     | 642     | 642     | 7,702     | 8,164     | 8,654     |
| <i>Community and public safety</i>         |  | 18,593  | 18,593  | 18,593  | 18,593  | 18,593  | 18,593  | 18,593  | 18,593  | 18,593  | 18,593  | 18,593  | 223,115   | 235,923   | 250,078   |
| Community and social services              |  | 6,574   | 6,574   | 6,574   | 6,574   | 6,574   | 6,574   | 6,574   | 6,574   | 6,574   | 6,574   | 6,574   | 78,884    | 83,037    | 88,020    |
| Sport and recreation                       |  | 4,543   | 4,543   | 4,543   | 4,543   | 4,543   | 4,543   | 4,543   | 4,543   | 4,543   | 4,543   | 4,543   | 54,516    | 57,787    | 61,254    |
| Public safety                              |  | 6,378   | 6,378   | 6,378   | 6,378   | 6,378   | 6,378   | 6,378   | 6,378   | 6,378   | 6,378   | 6,378   | 76,533    | 81,125    | 85,993    |
| Housing                                    |  | 259     | 259     | 259     | 259     | 259     | 259     | 259     | 259     | 259     | 259     | 259     | 3,104     | 3,290     | 3,487     |
| Health                                     |  | 840     | 840     | 840     | 840     | 840     | 840     | 840     | 840     | 840     | 840     | 840     | 10,079    | 10,683    | 11,324    |
| <i>Economic and environmental services</i> |  | 11,095  | 11,095  | 11,095  | 11,095  | 11,095  | 11,095  | 11,095  | 11,095  | 11,095  | 11,095  | 11,095  | 133,135   | 141,012   | 149,941   |
| Planning and development                   |  | 2,975   | 2,975   | 2,975   | 2,975   | 2,975   | 2,975   | 2,975   | 2,975   | 2,975   | 2,975   | 2,975   | 35,706    | 37,848    | 40,119    |
| Road transport                             |  | 8,119   | 8,119   | 8,119   | 8,119   | 8,119   | 8,119   | 8,119   | 8,119   | 8,119   | 8,119   | 8,119   | 97,429    | 103,164   | 109,822   |
| Environmental protection                   |  |         |         |         |         |         |         |         |         |         |         |         | -         | -         | -         |
| <i>Trading services</i>                    |  | 100,444 | 100,444 | 100,444 | 100,444 | 100,444 | 100,444 | 100,444 | 100,444 | 100,444 | 100,444 | 100,444 | 1,205,331 | 1,281,806 | 1,361,933 |
| Energy sources                             |  | 62,017  | 62,017  | 62,017  | 62,017  | 62,017  | 62,017  | 62,017  | 62,017  | 62,017  | 62,017  | 62,017  | 744,204   | 791,950   | 841,555   |
| Water management                           |  | 29,525  | 29,525  | 29,525  | 29,525  | 29,525  | 29,525  | 29,525  | 29,525  | 29,525  | 29,525  | 29,525  | 354,294   | 376,614   | 400,341   |
| Waste water management                     |  | 3,471   | 3,471   | 3,471   | 3,471   | 3,471   | 3,471   | 3,471   | 3,471   | 3,471   | 3,471   | 3,471   | 41,655    | 44,154    | 46,803    |
| Waste management                           |  | 5,431   | 5,431   | 5,431   | 5,431   | 5,431   | 5,431   | 5,431   | 5,431   | 5,431   | 5,431   | 5,431   | 65,177    | 69,088    | 73,233    |
| <i>Other</i>                               |  |         |         |         |         |         |         |         |         |         |         |         | -         | -         | -         |
| <b>Total Expenditure - Functional</b>      |  | 169,831 | 169,831 | 169,831 | 169,831 | 169,831 | 169,831 | 169,831 | 169,831 | 169,831 | 169,831 | 169,831 | 2,037,974 | 2,163,717 | 2,297,226 |

|   |   |       |       |       |       |       |       |       |       |       |       |       |       |     |       |        |
|---|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----|-------|--------|
| Surplus/(Deficit) before assoc.         |   | 1,995 | (573) | (573) | (573) | (573) | 1,995 | (573) | (573) | 1,995 | (573) | (573) | (573) | 828 | 2,955 | 15,377 |
| Share of surplus/(deficit) of associate |   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -   | -     | -      |
| Surplus/(Deficit)                       | 1 | 1,995 | (573) | (573) | (573) | (573) | 1,995 | (573) | (573) | 1,995 | (573) | (573) | (573) | 828 | 2,955 | 15,377 |

References

**Table 38 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)**

GT485 Rand West City - Supporting Table SA28

Budgeted monthly capital expenditure (municipal vote)

| Description                                      | R ef | Budget Year 2020/21 |         |        |          |        |        |          |        |        |        |        |        | Medium Term Revenue and Expenditure Framework |                          |                          |
|--|------|---------------------|---------|--------|----------|--------|--------|----------|--------|--------|--------|--------|--------|---|--------------------------|--------------------------|
|  |      | July                | Aug ust | Sep t. | Octo ber | Nov .  | Dec .  | Janu ary | Feb.   | Mar ch | Apri l | May    | Jun e  | Bud get Year 2020 /21                         | Bud get Year +1 2021 /22 | Bud get Year +2 2022 /23 |
| <u>Multi-year expenditure to be appropriated</u> | 1    |                     |         |        |          |        |        |          |        |        |        |        |        |   |                          |                          |
| Vote 1 - MUNICIPAL MANAGEMENT OFFICE             |      | -                   | -       | -      | -        | -      | -      | -        | -      | -      | -      | -      | -      | -   | -                        | -                        |
| Vote 2 - INFRASTRUCTURE SERVICES                 |      | 14,226              | 14,226  | 14,226 | 14,226   | 14,226 | 14,226 | 14,226   | 14,226 | 14,226 | 14,226 | 14,226 | 14,226 | 170,712                                       | 190,551                  | 219,778                  |
| Vote 3 - COMMUNITY SERVICES                      |      | -                   | -       | -      | -        | -      | -      | -        | -      | -      | -      | -      | -      | -   | -                        | -                        |
| Vote 4 - ECONOMIC DEVELOPMENT and PLANNING       |      | 6,115               | 6,115   | 6,115  | 6,115    | 6,115  | 6,115  | 6,115    | 6,115  | 6,115  | 6,115  | 6,115  | 6,115  | 73,383  | 77,419                   | -                        |
| Vote 5 - GOVERNANCE and TRANSFORMATION SERVICES  |      | -                   | -       | -      | -        | -      | -      | -        | -      | -      | -      | -      | -      | -   | -                        | -                        |
| Vote 6 - FINANCIAL MANAGEMENT SERVICES           |      | -                   | -       | -      | -        | -      | -      | -        | -      | -      | -      | -      | -      | -   | -                        | -                        |
| Vote 7 - CORPORATE SUPPORT SERVICES              |      | -                   | -       | -      | -        | -      | -      | -        | -      | -      | -      | -      | -      | -   | -                        | -                        |
| Vote 8 - CHIEF INFORMATION OFFICER               |      | -                   | -       | -      | -        | -      | -      | -        | -      | -      | -      | -      | -      | -   | -                        | -                        |

|  |   |            |            |            |            |            |            |            |            |            |            |            |            |             |             |             |
|--|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|-------------|-------------|
| Vote 9 -<br>INTERNAL<br>AUDITING                             |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 10 -<br>POLITICAL<br>OFFICE and IGR                     |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 11 -<br>[NAME OF VOTE<br>11]                            |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 12 -<br>[NAME OF VOTE<br>12]                            |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 13 -<br>[NAME OF VOTE<br>13]                            |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 14 -<br>[NAME OF VOTE<br>14]                            |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 15 -<br>[NAME OF VOTE<br>15]                            |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Capital multi-<br>year expenditure<br>sub-total              | 2 | 20,3<br>41 | 20,3<br>41 | 20,3<br>41 | 20,34<br>1 | 20,3<br>41 | 20,3<br>41 | 20,34<br>1 | 20,3<br>41 | 20,3<br>41 | 20,3<br>41 | 20,3<br>41 | 20,3<br>41 | 244,<br>095 | 267,<br>970 | 219,<br>778 |
| <u>Single-year<br/>expenditure to<br/>be appropriated</u>    |   |            |            |            |            |            |            |            |            |            |            |            |            |             |             |             |
| Vote 1 -<br>MUNICIPAL<br>MANAGEMENT<br>OFFICE                |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 2 -<br>INFRASTRUCTU<br>RE SERVICES                      |   | 333        | 333        | 333        | 333        | 333        | 333        | 333        | 333        | 333        | 333        | 333        | 333        | 4,00<br>0   | 5,00<br>0   | 7,00<br>0   |
| Vote 3 -<br>COMMUNITY<br>SERVICES                            |   | 142        | 142        | 142        | 142        | 142        | 142        | 142        | 142        | 142        | 142        | 142        | 142        | 1,70<br>0   | -           | -           |
| Vote 4 -<br>ECONOMIC<br>DEVELOPMENT<br>and PLANNING          |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 5 -<br>GOVERNANCE<br>and<br>TRANSFORMATI<br>ON SERVICES |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 6 -<br>FINANCIAL<br>MANAGEMENT<br>SERVICES              |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 7 -<br>CORPORATE<br>SUPPORT<br>SERVICES                 |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 8 - CHIEF<br>INFORMATION<br>OFFICER                     |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 9 -<br>INTERNAL<br>AUDITING                             |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 10 -<br>POLITICAL<br>OFFICE and IGR                     |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |
| Vote 11 -<br>[NAME OF VOTE<br>11]                            |   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -           | -           | -           |

|  |   |        |        |        |        |        |        |        |        |        |        |        |        |         |         |         |
|--|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|
| Vote 12 -<br>[NAME OF VOTE<br>12]                |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       |
| Vote 13 -<br>[NAME OF VOTE<br>13]                |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       |
| Vote 14 -<br>[NAME OF VOTE<br>14]                |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       |
| Vote 15 -<br>[NAME OF VOTE<br>15]                |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -       | -       | -       |
| Capital single-<br>year expenditure<br>sub-total | 2 | 475    | 475    | 475    | 475    | 475    | 475    | 475    | 475    | 475    | 475    | 475    | 475    | 5,700   | 5,000   | 7,000   |
| Total Capital<br>Expenditure                     | 2 | 20,816 | 20,816 | 20,816 | 20,816 | 20,816 | 20,816 | 20,816 | 20,816 | 20,816 | 20,816 | 20,816 | 20,816 | 249,795 | 272,970 | 226,778 |

**Table 39 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)**

GT485 Rand West City - Supporting Table SA29 Budgeted  
monthly capital expenditure (functional classification)

| Description  | R<br>ef | Budget Year 2020/21 |            |           |             |          |       |             |        |           |           |        |          | Medium Term Revenue<br>and Expenditure<br>Framework |   |   |
|--|---------|---------------------|------------|-----------|-------------|----------|-------|-------------|--------|-----------|-----------|--------|----------|---|---|---|
|  |         | July                | Aug<br>ust | Sep<br>t. | Octo<br>ber | Nov<br>. | Dec.  | Janu<br>ary | Feb.   | Mar<br>ch | Apri<br>l | May    | Jun<br>e | Budg<br>et<br>Year<br>2020/<br>21                   | Budg<br>et<br>Year<br>+1<br>2021/<br>22 | Budg<br>et<br>Year<br>+2<br>2022/<br>23 |
| <u>Capital<br/>Expenditure -<br/>Functional</u>                  | 1       |                     |            |           |             |          |       |             |        |           |           |        |          |   |   |   |
| <i>Governance<br/>and<br/>administration</i>                     |         | -                   | -          | -         | -           | -        | -     | -           | -      | -         | -         | -      | -        | -   | -                                       | -                                       |
| Executive<br>and council   |         | -                   | -          | -         | -           | -        | -     | -           | -      | -         | -         | -      | -        | -   | -                                       | -                                       |
| Finance<br>and<br>administration                                 |         | -                   | -          | -         | -           | -        | -     | -           | -      | -         | -         | -      | -        | -   | -                                       | -                                       |
| Internal<br>audit  |         | -                   | -          | -         | -           | -        | -     | -           | -      | -         | -         | -      | -        | -   | -                                       | -                                       |
| <i>Community<br/>and public<br/>safety</i>                       |         | -                   | 142        | 142       | 142         | 142      | 60    | -           | 142    | 142       | 142       | 142    | 507      | 1,700   | -                                       | -                                       |
| Communit<br>y and social<br>services                             |         | -                   | 142        | 142       | 142         | 142      | 60    | -           | 142    | 142       | 142       | 142    | 507      | 1,700   | -                                       | -                                       |
| Sport and<br>recreation  |         | -                   | -          | -         | -           | -        | -     | -           | -      | -         | -         | -      | -        | -   | -                                       | -                                       |
| Public<br>safety   |         | -                   | -          | -         | -           | -        | -     | -           | -      | -         | -         | -      | -        | -   | -                                       | -                                       |
| Housing  |         | -                   | -          | -         | -           | -        | -     | -           | -      | -         | -         | -      | -        | -   | -                                       | -                                       |
| Health<br><i>Economic<br/>and<br/>environmental<br/>services</i> |         | -                   | -          | -         | -           | -        | -     | -           | -      | -         | -         | -      | -        | -   | -                                       | -                                       |
|  |         | 13,283              | 7,667      | 14,783    | 13,283      | 17,283   | 5,000 | 3,500       | 19,783 | 13,283    | 22,283    | 18,283 | 10,963   | 159,390   | 175,970                                 | 104,418                                 |

|  |   |        |        |        |        |        |        |        |        |        |        |        |        |         |         |         |
|--|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|
| Planning and development   |   | 6,115  | –      | 7,615  | 6,115  | 9,115  | 3,000  | 2,000  | 8,615  | 6,115  | 12,115 | 6,115  | 6,461  | 73,383  | 77,419  | –       |
| Road transport   |   | 7,167  | 7,667  | 7,167  | 7,167  | 8,167  | 2,000  | 1,500  | 11,167 | 7,167  | 10,167 | 12,167 | 4,502  | 86,007  | 98,551  | 104,418 |
| Environmental protection   |   | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Trading services   |   | 5,000  | 5,392  | 7,392  | 10,000 | 10,187 | 5,000  | 3,500  | 7,392  | 9,392  | 9,392  | 11,392 | 4,665  | 88,705  | 97,000  | 122,360 |
| Energy sources   |   | 3,500  | 3,187  | 4,187  | 5,000  | 4,187  | 2,000  | 1,500  | 4,187  | 6,187  | 5,187  | 8,187  | 2,935  | 50,245  | 47,000  | 49,000  |
| Water management   |   | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –       | 50,000  | 73,360  |
| Waste water management   |   | 1,500  | 2,205  | 3,205  | 5,000  | 6,000  | 3,000  | 2,000  | 3,205  | 3,205  | 4,205  | 3,205  | 1,730  | 38,460  | –       | –       |
| Waste management   |   | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Other  |   | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Total Capital Expenditure - Functional   | 2 | 18,283 | 13,201 | 22,316 | 23,424 | 27,611 | 10,060 | 7,000  | 27,316 | 22,816 | 31,816 | 29,816 | 16,135 | 249,795 | 272,970 | 226,778 |
| <b>Funded by:</b>  |   |        |        |        |        |        |        |        |        |        |        |        |        |         |         |         |
| National Government  |   | 75,000 | –      | –      | –      | –      | 50,000 | –      | –      | 49,712 | –      | –      | –      | 174,712 | 195,551 | 226,778 |
| Provincial Government  |   | 25,000 | –      | –      | –      | 25,000 | –      | 15,000 | –      | 10,083 | –      | –      | –      | 75,083  | 77,419  | –       |
| District Municipality  |   | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) |   | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –       | –       | –       |
| Transfers recognised - capital   |   | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | 249,795 | 272,970 | 226,778 |
| Borrowing Internally generated funds   |   | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –       | –       | –       |
|  |   | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –      | –       | –       | –       |



|                       |  |   |   |   |   |   |   |   |   |   |   |   |   |         |         |         |
|-----------------------|--|---|---|---|---|---|---|---|---|---|---|---|---|---------|---------|---------|
| Total Capital Funding |  | - | - | - | - | - | - | - | - | - | - | - | - | 249,795 | 272,970 | 226,778 |
|-----------------------|--|---|---|---|---|---|---|---|---|---|---|---|---|---------|---------|---------|

**Table 40 MBRR SA30 – Budgeted monthly cash flow**

GT485 Rand West City  
- Supporting Table  
SA30 Budgeted  
monthly cash flow

| MONTHLY CASH FLOWS                     |                     |        |           |         |          |          |         |          |        |        |        |        |                     | Medium Term Revenue and Expenditure Framework |                        |  |
|--|---------------------|--------|-----------|---------|----------|----------|---------|----------|--------|--------|--------|--------|---------------------|---|------------------------|--|
| R thousand                             | Budget Year 2020/21 |        |           |         |          |          |         |          |        |        |        |        | Budget Year 2020/21 | Budget Year +1 2021/22                        | Budget Year +2 2022/23 |  |
|  | July                | August | September | October | November | December | January | February | March  | April  | May    | June   |                     |   |                        |  |
| <u>Cash Receipts By Source</u>         |                     |        |           |         |          |          |         |          |        |        |        |        | 1                   |   |                        |  |
| Property rates                         | 23,582              | 23,582 | 23,582    | 23,582  | 23,582   | 23,582   | 23,582  | 23,582   | 23,582 | 23,582 | 23,582 | 23,582 | 282,981             | 301,092                                       | 331,202                |  |
| Service charges - electricity revenue  | 71,112              | 71,112 | 71,112    | 71,112  | 71,112   | 71,112   | 71,112  | 71,112   | 71,112 | 71,112 | 71,112 | 71,112 | 853,347             | 906,597                                       | 963,168                |  |
| Service charges - water revenue        | 32,956              | 32,956 | 32,956    | 32,956  | 32,956   | 32,956   | 32,956  | 32,956   | 32,956 | 32,956 | 32,956 | 32,956 | 395,467             | 419,195                                       | 444,347                |  |
| Service charges - sanitation revenue   | 7,059               | 7,059  | 7,059     | 7,059   | 7,059    | 7,059    | 7,059   | 7,059    | 7,059  | 7,059  | 7,059  | 7,059  | 84,710              | 89,793  | 95,180                 |  |
| Service charges - refuse revenue       | 7,348               | 7,348  | 7,348     | 7,348   | 7,348    | 7,348    | 7,348   | 7,348    | 7,348  | 7,348  | 7,348  | 7,348  | 88,179              | 93,470  | 99,079                 |  |
| Rental of facilities and equipment     | 147                 | 147    | 147       | 147     | 147      | 147      | 147     | 147      | 147    | 147    | 147    | 147    | 1,764               | 1,941   | 2,135                  |  |
| Interest earned - external investments | 318                 | 318    | 318       | 318     | 318      | 318      | 318     | 318      | 318    | 318    | 318    | 318    | 3,821               | 4,050   | 4,293                  |  |
| Interest earned - outstanding debtors  | 3,473               | 3,473  | 3,473     | 3,473   | 3,473    | 3,473    | 3,473   | 3,473    | 3,473  | 3,473  | 3,473  | 3,473  | 41,675              | 45,842  | 50,426                 |  |
| Dividends received                     | —                   | —      | —         | —       | —        | —        | —       | —        | —      | —      | —      | 56     | 56                  | 60  | 63                     |  |
| Fines, penalties and forfeits          | 1,155               | 1,155  | 1,155     | 1,155   | 1,155    | 1,155    | 1,155   | 1,155    | 1,155  | 1,155  | 1,155  | 1,155  | 13,859              | 14,690  | 15,573                 |  |
| Licences and permits                   | 10                  | 10     | 10        | 10      | 10       | 10       | 10      | 10       | 10     | 10     | 10     | 10     | 116                 | 123   | 131                    |  |
| Agency services                        | 1,705               | 1,705  | 1,705     | 1,705   | 1,705    | 1,705    | 1,705   | 1,705    | 1,705  | 1,705  | 1,705  | 1,705  | 20,459              | 21,687  | 22,988                 |  |

|  |         |         |         |         |         |         |         |         |         |         |         |           |           |           |           |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|-----------|
| Transfers and Subsidies - Operational  | 120,000 | -       | -       | -       | -       | 85,000  | -       | -       | 165,981 | -       | -       | -         | 370,981   | 393,240   | 416,834   |
| Other revenue  | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 22,140    | 22,140    | 24,354    | 26,789    |
| Cash Receipts by Source  | 268,865 | 148,865 | 148,865 | 148,865 | 148,865 | 233,865 | 148,865 | 148,865 | 314,846 | 148,865 | 148,865 | 171,061   | 2,179,556 | 2,316,133 | 2,472,207 |
| Other Cash Flows by Source   |         |         |         |         |         |         |         |         |         |         |         |           |           |           |           |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)  | 140,000 | -       | 1,700   | -       | -       | 68,000  | -       | -       | 40,095  | -       | -       | -         | 249,795   | 272,970   | 226,778   |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |
| Proceeds on Disposal of Fixed and Intangible Assets  | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |
| Short term loans   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |
| Borrowing long term/refinancing  | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |
| Increase (decrease) in consumer deposits   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | (300,000) | (300,000) | (400,000) | (400,000) |
| Decrease (increase) in non-current receivables   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |
| Decrease (increase) in non-current investments   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |

|   |         |         |         |         |         |         |         |         |         |         |         |           |           |           |           |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|-----------|
| Total Cash Receipts by Source               | 408,865 | 148,865 | 150,565 | 148,865 | 148,865 | 301,865 | 148,865 | 148,865 | 354,941 | 148,865 | 148,865 | (128,939) | 2,129,352 | 2,189,103 | 2,298,985 |
| <u>Cash Payments by Type</u>                |         |         |         |         |         |         |         |         |         |         |         |           |           |           |           |
| Employee related costs                      | 48,400  | 48,400  | 48,400  | 48,400  | 48,400  | 48,400  | 48,400  | 48,400  | 48,400  | 48,400  | 48,400  | 48,400    | 580,797   | 615,644   | 652,583   |
| Remuneration of councillors                 | 2,670   | 2,670   | 2,670   | 2,670   | 2,670   | 2,670   | 2,670   | 2,670   | 2,670   | 2,670   | 2,670   | 2,670     | 32,038    | 33,960    | 35,998    |
| Finance charges                             | 3,747   | 3,747   | 3,747   | 3,747   | 3,747   | 3,747   | 3,747   | 3,747   | 3,747   | 3,747   | 3,747   | 3,747     | 44,968    | 47,666    | 50,526    |
| Bulk purchases - Electricity                | 72,178  | 72,178  | 72,178  | 72,178  | 72,178  | 72,178  | 72,178  | 72,178  | 72,178  | 72,178  | 72,178  | 72,178    | 866,141   | 921,574   | 980,555   |
| Bulk purchases - Water & Sewer              | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |
| Other materials                             | 206     | 206     | 206     | 206     | 206     | 206     | 206     | 206     | 206     | 206     | 206     | 206       | 2,475     | 2,623     | 2,780     |
| Contracted services                         | 10,953  | 10,953  | 10,953  | 10,953  | 10,953  | 10,953  | 10,953  | 10,953  | 10,953  | 10,953  | 10,953  | 10,953    | 131,431   | 139,317   | 147,676   |
| Transfers and grants - other municipalities | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |
| Transfers and grants - other                | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |
| Other expenditure                           | 7,309   | 7,309   | 7,309   | 7,309   | 7,309   | 7,309   | 7,309   | 7,309   | 7,309   | 7,309   | 7,309   | 7,309     | 87,706    | 92,969    | 98,546    |
| Cash Payments by Type                       | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463   | 1,745,556 | 1,853,754 | 1,968,665 |
| Other Cash Flows/Payments by Type           |         |         |         |         |         |         |         |         |         |         |         |           |           |           |           |
| Capital assets                              | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 249,795   | 249,795   | 272,970   | 226,778   |
| Repayment of borrowing                      | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |
| Other Cash Flows/Payments                   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -         | -         | -         | -         |
| Total Cash Payments by Type                 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 145,463 | 395,258   | 1,995,351 | 2,126,724 | 2,195,443 |
| NET INCREASE/(DECREASE) IN CASH HELD        | 263,402 | 3,402   | 5,102   | 3,402   | 3,402   | 156,402 | 3,402   | 3,402   | 209,478 | 3,402   | 3,402   | (524,197) | 134,000   | 62,379    | 103,542   |

|  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Cash/cash equivalents at the month/year begin: | 93,782  | 357,184 | 360,586 | 365,688 | 369,090 | 372,491 | 528,893 | 532,295 | 535,697 | 745,176 | 748,577 | 751,979 | 93,782  | 227,782 | 290,162 |
| Cash/cash equivalents at the month/year end:   | 357,184 | 360,586 | 365,688 | 369,090 | 372,491 | 528,893 | 532,295 | 535,697 | 745,176 | 748,577 | 751,979 | 227,782 | 227,782 | 290,162 | 393,704 |

**Table 41 MBRR SA 34a - Capital expenditure on new assets by asset class**

GT485 Rand West City - Supporting Table SA34a Capital expenditure on new assets by asset class

| Description<br><br>R thousand                                     | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| <u>Capital expenditure on new assets by Asset Class/Sub-class</u> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| -   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Infrastructure</u>   |     | 182,391         | 94,592          | 286,755         | 325,161              | 143,597         | 143,597            | 195,088   | 272,970                | 226,778                |
| Roads Infrastructure  |     | 7,694           | 25,760          | 45,761          | 37,000               | 41,406          | 41,406             | 33,000  | 98,551                 | 104,418                |
| <i>Roads</i>  |     | 7,694           | 25,760          | 45,761          | 37,000               | 41,406          | 41,406             | 33,000  | 98,551                 | 104,418                |
| <i>Road Structures</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Road Furniture</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Infrastructure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Drainage Collection</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Storm water Conveyance</i>                                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Attenuation</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electrical Infrastructure   |     | 23,500          | 18,944          | 159,115         | 169,400              | 27,527          | 27,527             | 50,245  | 47,000                 | 49,000                 |
| <i>Power Plants</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>HV Substations</i>   |     | 2,000           | 5,601           | 10,000          | 25,600               | 25,600          | 25,600             | 46,245  | 42,000                 | 42,000                 |
| <i>HV Switching Station</i>                                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>HV Transmission Conductors</i>                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>MV Substations</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>MV Switching Stations</i>                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>MV Networks</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

|  |        |        |         |         |        |        |        |         |        |
|--|--------|--------|---------|---------|--------|--------|--------|---------|--------|
| <i>LV Networks</i>                       | 21,500 | 13,344 | 149,115 | 143,800 | 1,927  | 1,927  | 4,000  | 5,000   | 7,000  |
| <i>Capital Spares</i>                    | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <b>Water Supply Infrastructure</b>       | 51,968 | 49,888 | 81,327  | 78,761  | 74,664 | 74,664 | 73,383 | 127,419 | 73,360 |
| <i>Dams and Weirs</i>                    | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Boreholes</i>                         | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Reservoirs</i>                        | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Pump Stations</i>                     | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Water Treatment Works</i>             | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Bulk Mains</i>                        | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Distribution</i>                      | 51,968 | 49,888 | 81,327  | 78,761  | 74,664 | 74,664 | 73,383 | 127,419 | 73,360 |
| <i>Distribution Points</i>               | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>PRV Stations</i>                      | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Capital Spares</i>                    | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <b>Sanitation Infrastructure</b>         | -      | -      | -       | 40,000  | -      | -      | 38,460 | -       | -      |
| <i>Pump Station</i>                      | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Reticulation</i>                      | -      | -      | -       | 40,000  | -      | -      | 38,460 | -       | -      |
| <i>Waste Water Treatment Works</i>       | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Outfall Sewers</i>                    | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Toilet Facilities</i>                 | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Capital Spares</i>                    | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <b>Solid Waste Infrastructure</b>        | 99,230 | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Landfill Sites</i>                    | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Waste Transfer Stations</i>           | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Waste Processing Facilities</i>       | 99,230 | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Waste Drop-off Points</i>             | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Waste Separation Facilities</i>       | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Electricity Generation Facilities</i> | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Capital Spares</i>                    | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <b>Rail Infrastructure</b>               | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Rail Lines</i>                        | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Rail Structures</i>                   | -      | -      | -       | -       | -      | -      | -      | -       | -      |
| <i>Rail Furniture</i>                    | -      | -      | -       | -       | -      | -      | -      | -       | -      |

|   |               |               |              |              |              |              |              |          |          |
|---|---------------|---------------|--------------|--------------|--------------|--------------|--------------|----------|----------|
| <i>Drainage Collection</i>                          | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Storm water Conveyance</i>                       | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Attenuation</i>                                  | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>MV Substations</i>                               | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>LV Networks</i>                                  | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Capital Spares</i>                               | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <b>Coastal Infrastructure</b>                       | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Sand Pumps</i>                                   | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Piers</i>  | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Revetments</i>                                   | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Promenades</i>                                   | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Capital Spares</i>                               | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <b>Information and Communication Infrastructure</b> | -             | -             | 552          | -            | -            | -            | -            | -        | -        |
| <i>Data Centres</i>                                 | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Core Layers</i>                                  | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Distribution Layers</i>                          | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Capital Spares</i>                               | -             | -             | 552          | -            | -            | -            | -            | -        | -        |
|   |               |               |              |              | -            |              |              |          |          |
| <b>Community Assets</b>                             | <b>31,810</b> | <b>14,748</b> | <b>1,607</b> | <b>3,000</b> | <b>2,753</b> | <b>2,753</b> | <b>1,700</b> | <b>-</b> | <b>-</b> |
| <b>Community Facilities</b>                         | <b>17,561</b> | <b>2,979</b>  | <b>1,607</b> | <b>1,800</b> | <b>1,800</b> | <b>1,800</b> | <b>1,700</b> | <b>-</b> | <b>-</b> |
| <i>Halls</i>  | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Centres</i>                                      | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Crèches</i>                                      | 1,113         | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Clinics/Care Centres</i>                         | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Fire/Ambulance Stations</i>                      | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Testing Stations</i>                             | 5,483         | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Museums</i>                                      | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Galleries</i>                                    | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Theatres</i>                                     | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Libraries</i>                                    | 5,845         | 2,979         | 1,607        | 1,800        | 1,800        | 1,800        | 1,700        | -        | -        |
| <i>Cemeteries/Crematoria</i>                        | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Police</i>                                       | -             | -             | -            | -            | -            | -            | -            | -        | -        |
| <i>Parks</i>  | -             | -             | -            | -            | -            | -            | -            | -        | -        |

|                                   |        |        |       |       |       |       |   |   |   |
|-----------------------------------|--------|--------|-------|-------|-------|-------|---|---|---|
| <i>Public Open Space</i>          | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Nature Reserves</i>            | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Public Ablution Facilities</i> | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Markets</i>                    | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Stalls</i>                     | 5,119  | -      | -     | -     | -     | -     | - | - | - |
| <i>Abattoirs</i>                  | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Airports</i>                   | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Taxi Ranks/Bus Terminals</i>   | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Capital Spares</i>             | -      | -      | -     | -     | -     | -     | - | - | - |
| Sport and Recreation Facilities   | 14,250 | 11,769 | -     | 1,200 | 953   | 953   | - | - | - |
| <i>Indoor Facilities</i>          | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Outdoor Facilities</i>         | 14,250 | 11,769 | -     | 1,200 | 953   | 953   | - | - | - |
| <i>Capital Spares</i>             | -      | -      | -     | -     | -     | -     | - | - | - |
| <b>Heritage assets</b>            | -      | -      | -     | -     | -     | -     | - | - | - |
| Monuments                         | -      | -      | -     | -     | -     | -     | - | - | - |
| Historic Buildings                | -      | -      | -     | -     | -     | -     | - | - | - |
| Works of Art                      | -      | -      | -     | -     | -     | -     | - | - | - |
| Conservation Areas                | -      | -      | -     | -     | -     | -     | - | - | - |
| Other Heritage                    | -      | -      | -     | -     | -     | -     | - | - | - |
|                                   | -      | -      | -     | -     | -     | -     | - | - | - |
| <b>Investment properties</b>      | -      | -      | -     | -     | -     | -     | - | - | - |
| Revenue Generating                | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Improved Property</i>          | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Unimproved Property</i>        | -      | -      | -     | -     | -     | -     | - | - | - |
| Non-revenue Generating            | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Improved Property</i>          | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Unimproved Property</i>        | -      | -      | -     | -     | -     | -     | - | - | - |
|                                   | -      | -      | -     | -     | -     | -     | - | - | - |
| <b>Other assets</b>               | 1,235  | 712    | 4,292 | -     | 5,954 | 5,954 | - | - | - |
| Operational Buildings             | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Municipal Offices</i>          | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Pay/Enquiry Points</i>         | -      | -      | -     | -     | -     | -     | - | - | - |
| <i>Building Plan Offices</i>      | -      | -      | -     | -     | -     | -     | - | - | - |

|   |       |     |       |       |       |       |   |   |   |
|---|-------|-----|-------|-------|-------|-------|---|---|---|
| <i>Workshops</i>                              | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Yards</i>                                  | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Stores</i>                                 | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Laboratories</i>                           | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Training Centres</i>                       | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Manufacturing Plant</i>                    | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Depots</i>                                 | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Capital Spares</i>                         | -     | -   | -     | -     | -     | -     | - | - | - |
| Housing                                       | 1,235 | 712 | 4,292 | -     | 5,954 | 5,954 | - | - | - |
| <i>Staff Housing</i>                          | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Social Housing</i>                         | 1,235 | 712 | 4,292 | -     | 5,954 | 5,954 | - | - | - |
| <i>Capital Spares</i>                         | -     | -   | -     | -     | -     | -     | - | - | - |
| <b><u>Biological or Cultivated Assets</u></b> | -     | -   | -     | -     | -     | -     | - | - | - |
| Biological or Cultivated Assets               | -     | -   | -     | -     | -     | -     | - | - | - |
| <b><u>Intangible Assets</u></b>               | 806   | -   | -     | -     | -     | -     | - | - | - |
| Servitudes                                    | 806   | -   | -     | -     | -     | -     | - | - | - |
| Licences and Rights                           | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Water Rights</i>                           | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Effluent Licenses</i>                      | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Solid Waste Licenses</i>                   | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Computer Software and Applications</i>     | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Load Settlement Software Applications</i>  | -     | -   | -     | -     | -     | -     | - | - | - |
| <i>Unspecified</i>                            | -     | -   | -     | -     | -     | -     | - | - | - |
| <b><u>Computer Equipment</u></b>              | -     | -   | -     | 772   | 804   | 804   | - | - | - |
| Computer Equipment                            | -     | -   | -     | 772   | 804   | 804   | - | - | - |
| <b><u>Furniture and Office Equipment</u></b>  | 1,159 | -   | -     | -     | -     | -     | - | - | - |
| Furniture and Office Equipment                | 1,159 | -   | -     | -     | -     | -     | - | - | - |
| <b><u>Machinery and Equipment</u></b>         | 4,582 | -   | -     | -     | -     | -     | - | - | - |
| Machinery and Equipment                       | 4,582 | -   | -     | -     | -     | -     | - | - | - |
| <b><u>Transport Assets</u></b>                | -     | -   | -     | 3,000 | 6,000 | 6,000 | - | - | - |



|   |   |         |         |         |         |         |         |         |         |         |
|---|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Transport Assets                                |   | -       | -       | -       | 3,000   | 6,000   | 6,000   | -       | -       | -       |
| <u>Land</u>                                     |   | 4,760   | -       | -       | -       | -       | -       | -       | -       | -       |
| Land  |   | 4,760   | -       | -       | -       | -       | -       | -       | -       | -       |
| <u>Zoo's, Marine and Non-biological Animals</u> |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Zoo's, Marine and Non-biological Animals        |   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Total Capital Expenditure on new assets         | 1 | 226,743 | 110,051 | 292,654 | 331,933 | 159,107 | 159,107 | 196,788 | 272,970 | 226,778 |

**Table 42 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class**

GT485 Rand West City - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

| Description   | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| R thousand  | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| -   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Infrastructure</u>   |     | -               | 64,543          | 32,488          | 39,300               | 40,590          | 40,590             | 53,007  | -                      | -                      |
| Roads Infrastructure  |     | -               | 51,341          | 13,434          | 39,300               | 40,590          | 40,590             | 53,007  | -                      | -                      |
| Roads   |     | -               | 51,341          | 13,434          | 39,300               | 40,590          | 40,590             | 53,007  | -                      | -                      |
| Road Structures   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Road Furniture  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Infrastructure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Drainage Collection   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Conveyance  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Attenuation   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electrical Infrastructure   |     | -               | 12,953          | -               | -                    | -               | -                  | -   | -                      | -                      |
| Power Plants  |     | -               | 12,953          | -               | -                    | -               | -                  | -   | -                      | -                      |
| HV Substations  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| HV Switching Station  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

|  |   |     |        |   |   |   |   |   |   |
|--|---|-----|--------|---|---|---|---|---|---|
| <i>HV Transmission Conductors</i>        | - | -   | -      | - | - | - | - | - | - |
| <i>MV Substations</i>                    | - | -   | -      | - | - | - | - | - | - |
| <i>MV Switching Stations</i>             | - | -   | -      | - | - | - | - | - | - |
| <i>MV Networks</i>                       | - | -   | -      | - | - | - | - | - | - |
| <i>LV Networks</i>                       | - | -   | -      | - | - | - | - | - | - |
| <i>Capital Spares</i>                    | - | -   | -      | - | - | - | - | - | - |
| Water Supply Infrastructure              | - | -   | -      | - | - | - | - | - | - |
| <i>Dams and Weirs</i>                    | - | -   | -      | - | - | - | - | - | - |
| <i>Boreholes</i>                         | - | -   | -      | - | - | - | - | - | - |
| <i>Reservoirs</i>                        | - | -   | -      | - | - | - | - | - | - |
| <i>Pump Stations</i>                     | - | -   | -      | - | - | - | - | - | - |
| <i>Water Treatment Works</i>             | - | -   | -      | - | - | - | - | - | - |
| <i>Bulk Mains</i>                        | - | -   | -      | - | - | - | - | - | - |
| <i>Distribution</i>                      | - | -   | -      | - | - | - | - | - | - |
| <i>Distribution Points</i>               | - | -   | -      | - | - | - | - | - | - |
| <i>PRV Stations</i>                      | - | -   | -      | - | - | - | - | - | - |
| <i>Capital Spares</i>                    | - | -   | -      | - | - | - | - | - | - |
| Sanitation Infrastructure                | - | 249 | 19,054 | - | - | - | - | - | - |
| <i>Pump Station</i>                      | - | -   | -      | - | - | - | - | - | - |
| <i>Reticulation</i>                      | - | 249 | 19,054 | - | - | - | - | - | - |
| <i>Waste Water Treatment Works</i>       | - | -   | -      | - | - | - | - | - | - |
| <i>Outfall Sewers</i>                    | - | -   | -      | - | - | - | - | - | - |
| <i>Toilet Facilities</i>                 | - | -   | -      | - | - | - | - | - | - |
| <i>Capital Spares</i>                    | - | -   | -      | - | - | - | - | - | - |
| Solid Waste Infrastructure               | - | -   | -      | - | - | - | - | - | - |
| <i>Landfill Sites</i>                    | - | -   | -      | - | - | - | - | - | - |
| <i>Waste Transfer Stations</i>           | - | -   | -      | - | - | - | - | - | - |
| <i>Waste Processing Facilities</i>       | - | -   | -      | - | - | - | - | - | - |
| <i>Waste Drop-off Points</i>             | - | -   | -      | - | - | - | - | - | - |
| <i>Waste Separation Facilities</i>       | - | -   | -      | - | - | - | - | - | - |
| <i>Electricity Generation Facilities</i> | - | -   | -      | - | - | - | - | - | - |
| <i>Capital Spares</i>                    | - | -   | -      | - | - | - | - | - | - |
| Rail Infrastructure                      | - | -   | -      | - | - | - | - | - | - |

|   |   |       |   |   |   |   |   |   |   |
|---|---|-------|---|---|---|---|---|---|---|
| <i>Rail Lines</i>                                   | - | -     | - | - | - | - | - | - | - |
| <i>Rail Structures</i>                              | - | -     | - | - | - | - | - | - | - |
| <i>Rail Furniture</i>                               | - | -     | - | - | - | - | - | - | - |
| <i>Drainage Collection</i>                          | - | -     | - | - | - | - | - | - | - |
| <i>Storm water Conveyance</i>                       | - | -     | - | - | - | - | - | - | - |
| <i>Attenuation</i>                                  | - | -     | - | - | - | - | - | - | - |
| <i>MV Substations</i>                               | - | -     | - | - | - | - | - | - | - |
| <i>LV Networks</i>                                  | - | -     | - | - | - | - | - | - | - |
| <i>Capital Spares</i>                               | - | -     | - | - | - | - | - | - | - |
| <b>Coastal Infrastructure</b>                       | - | -     | - | - | - | - | - | - | - |
| <i>Sand Pumps</i>                                   | - | -     | - | - | - | - | - | - | - |
| <i>Piers</i>  | - | -     | - | - | - | - | - | - | - |
| <i>Revetments</i>                                   | - | -     | - | - | - | - | - | - | - |
| <i>Promenades</i>                                   | - | -     | - | - | - | - | - | - | - |
| <i>Capital Spares</i>                               | - | -     | - | - | - | - | - | - | - |
| <b>Information and Communication Infrastructure</b> | - | -     | - | - | - | - | - | - | - |
| <i>Data Centres</i>                                 | - | -     | - | - | - | - | - | - | - |
| <i>Core Layers</i>                                  | - | -     | - | - | - | - | - | - | - |
| <i>Distribution Layers</i>                          | - | -     | - | - | - | - | - | - | - |
| <i>Capital Spares</i>                               | - | -     | - | - | - | - | - | - | - |
| <b>Community Assets</b>                             | - | 1,486 | - | - | - | - | - | - | - |
| <b>Community Facilities</b>                         | - | 1,486 | - | - | - | - | - | - | - |
| <i>Halls</i>  | - | -     | - | - | - | - | - | - | - |
| <i>Centres</i>                                      | - | -     | - | - | - | - | - | - | - |
| <i>Crèches</i>                                      | - | -     | - | - | - | - | - | - | - |
| <i>Clinics/Care Centres</i>                         | - | -     | - | - | - | - | - | - | - |
| <i>Fire/Ambulance Stations</i>                      | - | -     | - | - | - | - | - | - | - |
| <i>Testing Stations</i>                             | - | -     | - | - | - | - | - | - | - |
| <i>Museums</i>                                      | - | -     | - | - | - | - | - | - | - |
| <i>Galleries</i>                                    | - | -     | - | - | - | - | - | - | - |
| <i>Theatres</i>                                     | - | -     | - | - | - | - | - | - | - |
| <i>Libraries</i>                                    | - | 1,486 | - | - | - | - | - | - | - |
| <i>Cemeteries/Crematoria</i>                        | - | -     | - | - | - | - | - | - | - |

|  |   |   |   |   |   |   |   |   |   |
|--|---|---|---|---|---|---|---|---|---|
| <i>Police</i>                          | - | - | - | - | - | - | - | - | - |
| <i>Parks</i>                           | - | - | - | - | - | - | - | - | - |
| <i>Public Open Space</i>               | - | - | - | - | - | - | - | - | - |
| <i>Nature Reserves</i>                 | - | - | - | - | - | - | - | - | - |
| <i>Public Ablution Facilities</i>      | - | - | - | - | - | - | - | - | - |
| <i>Markets</i>                         | - | - | - | - | - | - | - | - | - |
| <i>Stalls</i>                          | - | - | - | - | - | - | - | - | - |
| <i>Abattoirs</i>                       | - | - | - | - | - | - | - | - | - |
| <i>Airports</i>                        | - | - | - | - | - | - | - | - | - |
| <i>Taxi Ranks/Bus Terminals</i>        | - | - | - | - | - | - | - | - | - |
| <i>Capital Spares</i>                  | - | - | - | - | - | - | - | - | - |
| <b>Sport and Recreation Facilities</b> | - | - | - | - | - | - | - | - | - |
| <i>Indoor Facilities</i>               | - | - | - | - | - | - | - | - | - |
| <i>Outdoor Facilities</i>              | - | - | - | - | - | - | - | - | - |
| <i>Capital Spares</i>                  | - | - | - | - | - | - | - | - | - |
| <b><u>Heritage assets</u></b>          | - | - | - | - | - | - | - | - | - |
| <i>Monuments</i>                       | - | - | - | - | - | - | - | - | - |
| <i>Historic Buildings</i>              | - | - | - | - | - | - | - | - | - |
| <i>Works of Art</i>                    | - | - | - | - | - | - | - | - | - |
| <i>Conservation Areas</i>              | - | - | - | - | - | - | - | - | - |
| <i>Other Heritage</i>                  | - | - | - | - | - | - | - | - | - |
| <b><u>Investment properties</u></b>    | - | - | - | - | - | - | - | - | - |
| <b>Revenue Generating</b>              | - | - | - | - | - | - | - | - | - |
| <i>Improved Property</i>               | - | - | - | - | - | - | - | - | - |
| <i>Unimproved Property</i>             | - | - | - | - | - | - | - | - | - |
| <b>Non-revenue Generating</b>          | - | - | - | - | - | - | - | - | - |
| <i>Improved Property</i>               | - | - | - | - | - | - | - | - | - |
| <i>Unimproved Property</i>             | - | - | - | - | - | - | - | - | - |
| <b><u>Other assets</u></b>             | - | - | - | - | - | - | - | - | - |
| <b>Operational Buildings</b>           | - | - | - | - | - | - | - | - | - |
| <i>Municipal Offices</i>               | - | - | - | - | - | - | - | - | - |
| <i>Pay/Enquiry Points</i>              | - | - | - | - | - | - | - | - | - |

|   |   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|---|
| <i>Building Plan Offices</i>                  | - | - | - | - | - | - | - | - | - |
| <i>Workshops</i>                              | - | - | - | - | - | - | - | - | - |
| <i>Yards</i>                                  | - | - | - | - | - | - | - | - | - |
| <i>Stores</i>                                 | - | - | - | - | - | - | - | - | - |
| <i>Laboratories</i>                           | - | - | - | - | - | - | - | - | - |
| <i>Training Centres</i>                       | - | - | - | - | - | - | - | - | - |
| <i>Manufacturing Plant</i>                    | - | - | - | - | - | - | - | - | - |
| <i>Depots</i>                                 | - | - | - | - | - | - | - | - | - |
| <i>Capital Spares</i>                         | - | - | - | - | - | - | - | - | - |
| <b>Housing</b>                                | - | - | - | - | - | - | - | - | - |
| <i>Staff Housing</i>                          | - | - | - | - | - | - | - | - | - |
| <i>Social Housing</i>                         | - | - | - | - | - | - | - | - | - |
| <i>Capital Spares</i>                         | - | - | - | - | - | - | - | - | - |
| <b><u>Biological or Cultivated Assets</u></b> | - | - | - | - | - | - | - | - | - |
| Biological or Cultivated Assets               | - | - | - | - | - | - | - | - | - |
| <b><u>Intangible Assets</u></b>               | - | - | - | - | - | - | - | - | - |
| Servitudes                                    | - | - | - | - | - | - | - | - | - |
| <b>Licences and Rights</b>                    | - | - | - | - | - | - | - | - | - |
| <i>Water Rights</i>                           | - | - | - | - | - | - | - | - | - |
| <i>Effluent Licenses</i>                      | - | - | - | - | - | - | - | - | - |
| <i>Solid Waste Licenses</i>                   | - | - | - | - | - | - | - | - | - |
| <i>Computer Software and Applications</i>     | - | - | - | - | - | - | - | - | - |
| <i>Load Settlement Software Applications</i>  | - | - | - | - | - | - | - | - | - |
| <i>Unspecified</i>                            | - | - | - | - | - | - | - | - | - |
| <b><u>Computer Equipment</u></b>              | - | - | - | - | - | - | - | - | - |
| Computer Equipment                            | - | - | - | - | - | - | - | - | - |
| <b><u>Furniture and Office Equipment</u></b>  | - | - | - | - | - | - | - | - | - |
| Furniture and Office Equipment                | - | - | - | - | - | - | - | - | - |
| <b><u>Machinery and Equipment</u></b>         | - | - | - | - | - | - | - | - | - |
| Machinery and Equipment                       | - | - | - | - | - | - | - | - | - |

|   |   |      |        |        |        |        |        |        |      |      |
|---|---|------|--------|--------|--------|--------|--------|--------|------|------|
| <u>Transport Assets</u>                                 |   | -    | -      | -      | -      | -      | -      | -      | -    | -    |
| Transport Assets  |   | -    | -      | -      | -      | -      | -      | -      | -    | -    |
| <u>Land</u>   |   | -    | -      | -      | -      | -      | -      | -      | -    | -    |
| Land  |   | -    | -      | -      | -      | -      | -      | -      | -    | -    |
| <u>Zoo's, Marine and Non-biological Animals</u>         |   | -    | -      | -      | -      | -      | -      | -      | -    | -    |
| Zoo's, Marine and Non-biological Animals                |   | -    | -      | -      | -      | -      | -      | -      | -    | -    |
| Total Capital Expenditure on renewal of existing assets | 1 | -    | 66,029 | 32,488 | 39,300 | 40,590 | 40,590 | 53,007 | -    | -    |
| <i>Renewal of Existing Assets as % of total capex</i>   |   | 0.0% | 28.3%  | 9.5%   | 9.9%   | 17.9%  | 17.9%  | 21.2%  | 0.0% | 0.0% |
| <i>Renewal of Existing Assets as % of deprecn"</i>      |   | 0.0% | 30.9%  | 17.7%  | 17.0%  | 25.4%  | 25.4%  | 27.8%  | 0.0% | 0.0% |

**Table 43 MBRR SA34c - Repairs and maintenance expenditure by asset class**

GT485 Rand West City - Supporting Table SA34c Repairs and maintenance expenditure by asset class

| Description   | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| R thousand  | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Repairs and maintenance expenditure by Asset Class/Sub-class</u> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| -   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Infrastructure</u>   |     | 59,391          | 63,568          | 88,005          | 61,561               | 52,020          | 52,020             | 54,396  | 57,659                 | 61,119                 |
| Roads Infrastructure  |     | 10,120          | 14,297          | 49,589          | 20,439               | 30,439          | 30,439             | 30,815  | 32,664                 | 34,624                 |
| Roads   |     | 10,120          | 14,297          | 49,589          | 20,439               | 30,439          | 30,439             | 30,815  | 32,664                 | 34,624                 |
| Road Structures   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Road Furniture  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Infrastructure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Drainage Collection   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Conveyance  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Attenuation   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electrical Infrastructure   |     | 20,486          | 20,486          | 14,050          | 28,922               | 13,922          | 13,922             | 15,727  | 16,671                 | 17,671                 |
| Power Plants  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

|  |               |               |               |              |              |              |              |              |              |
|--|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <i>HV Substations</i>                    | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>HV Switching Station</i>              | 20,486        | 20,486        | 14,050        | 28,922       | 13,922       | 13,922       | 15,727       | 16,671       | 17,671       |
| <i>HV Transmission Conductors</i>        | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>MV Substations</i>                    | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>MV Switching Stations</i>             | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>MV Networks</i>                       | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>LV Networks</i>                       | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Capital Spares</i>                    | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <b>Water Supply Infrastructure</b>       | <b>9,785</b>  | <b>9,785</b>  | <b>8,086</b>  | <b>2,173</b> | <b>2,080</b> | <b>2,080</b> | <b>2,205</b> | <b>2,337</b> | <b>2,477</b> |
| <i>Dams and Weirs</i>                    | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Boreholes</i>                         | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Reservoirs</i>                        | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Pump Stations</i>                     | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Water Treatment Works</i>             | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Bulk Mains</i>                        | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Distribution</i>                      | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Distribution Points</i>               | 9,785         | 9,785         | 8,086         | 2,173        | 2,080        | 2,080        | 2,205        | 2,337        | 2,477        |
| <i>PRV Stations</i>                      | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Capital Spares</i>                    | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <b>Sanitation Infrastructure</b>         | <b>2,500</b>  | <b>2,500</b>  | <b>2,368</b>  | <b>3,053</b> | <b>3,146</b> | <b>3,146</b> | <b>3,335</b> | <b>3,535</b> | <b>3,747</b> |
| <i>Pump Station</i>                      | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Reticulation</i>                      | 2,500         | 2,500         | 2,368         | 3,053        | 3,146        | 3,146        | 3,335        | 3,535        | 3,747        |
| <i>Waste Water Treatment Works</i>       | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Outfall Sewers</i>                    | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Toilet Facilities</i>                 | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Capital Spares</i>                    | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <b>Solid Waste Infrastructure</b>        | <b>16,500</b> | <b>16,500</b> | <b>13,911</b> | <b>6,974</b> | <b>2,433</b> | <b>2,433</b> | <b>2,314</b> | <b>2,453</b> | <b>2,600</b> |
| <i>Landfill Sites</i>                    | 16,500        | 16,500        | 13,911        | 6,974        | 2,433        | 2,433        | 2,314        | 2,453        | 2,600        |
| <i>Waste Transfer Stations</i>           | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Waste Processing Facilities</i>       | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Waste Drop-off Points</i>             | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Waste Separation Facilities</i>       | -             | -             | -             | -            | -            | -            | -            | -            | -            |
| <i>Electricity Generation Facilities</i> | -             | -             | -             | -            | -            | -            | -            | -            | -            |

|   |       |       |       |       |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <i>Capital Spares</i>                               | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <b>Rail Infrastructure</b>                          | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Rail Lines</i>                                   | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Rail Structures</i>                              | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Rail Furniture</i>                               | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Drainage Collection</i>                          | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Storm water Conveyance</i>                       | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Attenuation</i>                                  | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>MV Substations</i>                               | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>LV Networks</i>                                  | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Capital Spares</i>                               | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <b>Coastal Infrastructure</b>                       | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Sand Pumps</i>                                   | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Piers</i>  | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Revetments</i>                                   | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Promenades</i>                                   | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Capital Spares</i>                               | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <b>Information and Communication Infrastructure</b> | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Data Centres</i>                                 | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Core Layers</i>                                  | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Distribution Layers</i>                          | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Capital Spares</i>                               | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <b>Community Assets</b>                             | 3,500 | 3,000 | 6,208 | 4,164 | 2,115 | 2,115 | 1,787 | 1,894 | 2,008 |
| <b>Community Facilities</b>                         | 2,500 | 2,000 | 5,396 | 3,151 | 1,601 | 1,601 | 1,332 | 1,412 | 1,497 |
| <i>Halls</i>  | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Centres</i>                                      | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Crèches</i>                                      | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Clinics/Care Centres</i>                         | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Fire/Ambulance Stations</i>                      | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Testing Stations</i>                             | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Museums</i>                                      | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Galleries</i>                                    | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| <i>Theatres</i>                                     | -     | -     | -     | -     | -     | -     | -     | -     | -     |



|  |       |       |       |       |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <i>Libraries</i>                       | 500   | –     | 497   | 497   | 247   | 247   | 261   | 277   | 294   |
| <i>Cemeteries/Crematoria</i>           | 1,000 | 1,000 | 877   | 632   | 332   | 332   | 352   | 373   | 396   |
| <i>Police</i>                          | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Parks</i>                           | 1,000 | 1,000 | 4,022 | 2,022 | 1,022 | 1,022 | –     | –     | –     |
| <i>Public Open Space</i>               | –     | –     | –     | –     | –     | –     | 718   | 761   | 807   |
| <i>Nature Reserves</i>                 | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Public Ablution Facilities</i>      | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Markets</i>                         | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Stalls</i>                          | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Abattoirs</i>                       | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Airports</i>                        | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Taxi Ranks/Bus Terminals</i>        | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Capital Spares</i>                  | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <b>Sport and Recreation Facilities</b> | 1,000 | 1,000 | 812   | 1,013 | 513   | 513   | 455   | 483   | 511   |
| <i>Indoor Facilities</i>               | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Outdoor Facilities</i>              | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Capital Spares</i>                  | 1,000 | 1,000 | 812   | 1,013 | 513   | 513   | 455   | 483   | 511   |
| <b><u>Heritage assets</u></b>          | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Monuments</i>                       | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Historic Buildings</i>              | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Works of Art</i>                    | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Conservation Areas</i>              | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Other Heritage</i>                  | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <b><u>Investment properties</u></b>    | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <b>Revenue Generating</b>              | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Improved Property</i>               | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Unimproved Property</i>             | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <b>Non-revenue Generating</b>          | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Improved Property</i>               | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <i>Unimproved Property</i>             | –     | –     | –     | –     | –     | –     | –     | –     | –     |
| <b><u>Other assets</u></b>             | 2,000 | 2,000 | 2,207 | 525   | 3,243 | 3,243 | 3,877 | 2,838 | 3,008 |
| <b>Operational Buildings</b>           | 2,000 | 2,000 | 2,207 | 525   | 3,243 | 3,243 | 3,877 | 2,838 | 3,008 |

|   |       |       |       |     |       |       |       |       |       |
|---|-------|-------|-------|-----|-------|-------|-------|-------|-------|
| <i>Municipal Offices</i>                      | 2,000 | 2,000 | 2,207 | 525 | 3,243 | 3,243 | 3,877 | 2,838 | 3,008 |
| <i>Pay/Enquiry Points</i>                     | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Building Plan Offices</i>                  | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Workshops</i>                              | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Yards</i>                                  | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Stores</i>                                 | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Laboratories</i>                           | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Training Centres</i>                       | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Manufacturing Plant</i>                    | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Depots</i>                                 | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Capital Spares</i>                         | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <b>Housing</b>                                | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Staff Housing</i>                          | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Social Housing</i>                         | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Capital Spares</i>                         | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <b><u>Biological or Cultivated Assets</u></b> | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| Biological or Cultivated Assets               | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <b><u>Intangible Assets</u></b>               | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| Servitudes                                    | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| Licences and Rights                           | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Water Rights</i>                           | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Effluent Licenses</i>                      | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Solid Waste Licenses</i>                   | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Computer Software and Applications</i>     | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Load Settlement Software Applications</i>  | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <i>Unspecified</i>                            | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <b><u>Computer Equipment</u></b>              | -     | -     | -     | -   | -     | -     | 761   | 807   | 855   |
| Computer Equipment                            | -     | -     | -     | -   | -     | -     | 761   | 807   | 855   |
| <b><u>Furniture and Office Equipment</u></b>  | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| Furniture and Office Equipment                | -     | -     | -     | -   | -     | -     | -     | -     | -     |
| <b><u>Machinery and Equipment</u></b>         | 2,000 | 2,000 | 2,489 | 406 | -     | -     | -     | -     | -     |

|   |   |        |        |         |        |        |        |        |        |        |
|---|---|--------|--------|---------|--------|--------|--------|--------|--------|--------|
| Machinery and Equipment                         |   | 2,000  | 2,000  | 2,489   | 406    | -      | -      | -      | -      | -      |
| <u>Transport Assets</u>                         |   | 3,000  | 3,000  | 2,284   | 312    | -      | -      | -      | -      | -      |
| Transport Assets                                |   | 3,000  | 3,000  | 2,284   | 312    | -      | -      | 1,500  | 1,590  | 1,685  |
| <u>Land</u>                                     |   | -      | -      | -       | -      | -      | -      | -      | -      | -      |
| Land  |   | -      | -      | -       | -      | -      | -      | -      | -      | -      |
| <u>Zoo's, Marine and Non-biological Animals</u> |   | -      | -      | -       | -      | -      | -      | -      | -      | -      |
| Zoo's, Marine and Non-biological Animals        |   | -      | -      | -       | -      | -      | -      | -      | -      | -      |
| Total Repairs and Maintenance Expenditure       | 1 | 69,891 | 73,568 | 101,194 | 66,969 | 57,378 | 57,378 | 60,821 | 63,198 | 66,990 |

**Table 44 MBRR SA35 - Future financial implications of the capital budget**

GT485 Rand West City - Supporting Table SA35 Future financial implications of the capital budget

| Vote Description<br>R thousand                  | Ref | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        | Forecasts        |                  |                  |               |
|---|-----|---|------------------------|------------------------|------------------|------------------|------------------|---------------|
|   |     | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 | Forecast 2023/24 | Forecast 2024/25 | Forecast 2025/26 | Present value |
| <u>Capital expenditure</u>                      | 1   |   |                        |                        |                  |                  |                  |               |
| Vote 1 - MUNICIPAL MANAGEMENT OFFICE            |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 2 - INFRASTRUCTURE SERVICES                |     | 174,712   | 195,551                | 226,778                | -                | -                | -                | -             |
| Vote 3 - COMMUNITY SERVICES                     |     | 1,700   | -                      | -                      | -                | -                | -                | -             |
| Vote 4 - ECONOMIC DEVELOPMENT and PLANNING      |     | 73,383  | 77,419                 | -                      | -                | -                | -                | -             |
| Vote 5 - GOVERNANCE and TRANSFORMATION SERVICES |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 6 - FINANCIAL MANAGEMENT SERVICES          |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 7 - CORPORATE SUPPORT SERVICES             |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 8 - CHIEF INFORMATION OFFICER              |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 9 - INTERNAL AUDITING                      |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 10 - POLITICAL OFFICE and IGR              |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 11 - [NAME OF VOTE 11]                     |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 12 - [NAME OF VOTE 12]                     |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 13 - [NAME OF VOTE 13]                     |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 14 - [NAME OF VOTE 14]                     |     | -   | -                      | -                      | -                | -                | -                | -             |
| Vote 15 - [NAME OF VOTE 15]                     |     | -   | -                      | -                      | -                | -                | -                | -             |

|  |   |         |         |         |   |   |   |   |
|--|---|---------|---------|---------|---|---|---|---|
| <i>List entity summary if applicable</i>         |   | -       | -       | -       | - | - | - | - |
| Total Capital Expenditure                        |   | 249,795 | 272,970 | 226,778 | - | - | - | - |
| <u>Future operational costs by vote</u>          | 2 |         |         |         |   |   |   |   |
| Vote 1 - MUNICIPAL MANAGEMENT OFFICE             |   | -       | -       | -       | - | - | - | - |
| Vote 2 - INFRASTRUCTURE SERVICES                 |   | -       | -       | -       | - | - | - | - |
| Vote 3 - COMMUNITY SERVICES                      |   | -       | -       | -       | - | - | - | - |
| Vote 4 - ECONOMIC DEVELOPMENT and PLANNING       |   | -       | -       | -       | - | - | - | - |
| Vote 5 - GOVERNANCE and TRANSFORMATION SERVICES  |   | -       | -       | -       | - | - | - | - |
| Vote 6 - FINANCIAL MANAGEMENT SERVICES           |   | -       | -       | -       | - | - | - | - |
| Vote 7 - CORPORATE SUPPORT SERVICES              |   | -       | -       | -       | - | - | - | - |
| Vote 8 - CHIEF INFORMATION OFFICER               |   | -       | -       | -       | - | - | - | - |
| Vote 9 - INTERNAL AUDITING                       |   | -       | -       | -       | - | - | - | - |
| Vote 10 - POLITICAL OFFICE and IGR               |   | -       | -       | -       | - | - | - | - |
| Vote 11 - [NAME OF VOTE 11]                      |   |         |         |         | - | - | - | - |
| Vote 12 - [NAME OF VOTE 12]                      |   |         |         |         | - | - | - | - |
| Vote 13 - [NAME OF VOTE 13]                      |   |         |         |         | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14]                      |   |         |         |         | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15]                      |   |         |         |         | - | - | - | - |
| <i>List entity summary if applicable</i>         |   |         |         |         | - | - | - | - |
| Total future operational costs                   |   | -       | -       | -       | - | - | - | - |
| <u>Future revenue by source</u>                  | 3 |         |         |         |   |   |   |   |
| Property rates                                   |   | -       | -       | -       | - | - | - | - |
| Service charges - electricity revenue            |   | -       | -       | -       | - | - | - | - |
| Service charges - water revenue                  |   | -       | -       | -       | - | - | - | - |
| Service charges - sanitation revenue             |   | -       | -       | -       | - | - | - | - |
| Service charges - refuse revenue                 |   | -       | -       | -       | - | - | - | - |
|  |   | -       | -       | -       | - | - | - | - |
| Rental of facilities and equipment               |   | -       | -       | -       | - | - | - | - |
| <i>List other revenues sources if applicable</i> |   | -       | -       | -       | - | - | - | - |
| <i>List entity summary if applicable</i>         |   | -       | -       | -       | - | - | - | - |
| Total future revenue                             |   | -       | -       | -       | - | - | - | - |
| Net Financial Implications                       |   | 249,795 | 272,970 | 226,778 | - | - | - | - |

## **2.10 Draft Annual budgets and SDBIPs – internal departments**

To be completed when the 2020/21 SDBIP is submitted to the Executive Mayor for approval in terms of the MFMA.

## **2.11 Contracts having future budgetary implications**

In terms of the City's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Budget and Treasury Office (BTO).

## **2.12 Capital expenditure details**

The following tables present details of the municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets

**Table 45 MBRR SA36 – Detailed capital budget per municipality vote**

GT485 Rand West City - Supporting Table SA36 Detailed capital budget

| R thousand   |   | 2020/21 Medium Term Revenue & Expenditure Framework |                         |                         |
|--|---|---|-------------------------|-------------------------|
| Function   | Project Description   | Budget Year 2020/ 21                                | Budget Year +1 2021/ 22 | Budget Year +2 2022/ 23 |
| Parent municipality:<br><i>List all capital projects grouped by Function</i> |   |   |                         |                         |
| COMMUNITY SERVICES   | Procurement of Furniture and Equipment                        | 100   | –                       | –                       |
| COMMUNITY SERVICES   | Procurement of ICT Equipment                                  | 600   | –                       | –                       |
| COMMUNITY SERVICES   | Procurement of Library books                                  | 1,000   | –                       | –                       |
| INFRASTRUCTURE SERVICES  | MIG Allocation  | –   | 98,551                  | 104,418                 |
| INFRASTRUCTURE SERVICES  | WSIG Allocation   | –   | 50,000                  | 73,360                  |
| INFRASTRUCTURE SERVICES  | Provision of Water Infrastructure Services in Mohlakeng Ext 5 |   | –                       | –                       |
| INFRASTRUCTURE SERVICES  | Provision of Sewer Infrastructure Services in Mohlakeng Ext 5 | 38,460  |                         |                         |
| INFRASTRUCTURE SERVICES  | Rehabilitation of roads in Zuurbekom Phase 3                  | 18,000  | –                       | –                       |
| INFRASTRUCTURE SERVICES  | Construction of Old Mohlakeng Roads Ext 7 Phase 2             | 16,500  | –                       | –                       |
| INFRASTRUCTURE SERVICES  | Construction of roads at mohlakeng (Ext 3 and 4) Phase 2      | 16,500  | –                       | –                       |
| INFRASTRUCTURE SERVICES  | Rehabilitation of roads in Mohlakeng and Toekomsrus Phase 5B  | 17,007  | –                       | –                       |
| INFRASTRUCTURE SERVICES  | Rehabilitation of road in Finsbury                            | 18,000  | –                       | –                       |
| INFRASTRUCTURE SERVICES  | INEP Allocation   | 46,245  | 42,000                  | 42,000                  |
| INFRASTRUCTURE SERVICES  | EEDMS Allocation  | 4,000   | 5,000                   | 7,000                   |
| DEVELOPMENT AND PLANNING   | Human Settlement Development Grant                            | 73,383  | 77,419                  | –                       |
| Parent Capital expenditure   |   | 249,795   | 272,970                 | 226,778                 |
| Entities:<br><i>List all capital projects grouped by Entity</i>              |   |   |                         |                         |
| Entity A   |   |   |                         |                         |

|                                   |  |             |             |             |
|-----------------------------------|--|-------------|-------------|-------------|
| Water project A                   |  |             |             |             |
| Entity B<br>Electricity project B |  |             |             |             |
| Entity Capital expenditure        |  | –           | –           | –           |
| Total Capital expenditure         |  | 249,7<br>95 | 272,9<br>70 | 226,7<br>78 |

References

## 2.13 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively.
2. **Internship programme**  
The municipality is participating in the Municipal Financial Management Internship programme and has employed a number of interns undergoing training in various divisions of the Financial Services Department.
1. **Budget and Treasury Office**  
The Budget and Treasury Office has been established in accordance with the MFMA.
2. **Audit Committee**  
An Audit Committee has been established and is fully functional.
3. **Service Delivery and Implementation Plan**  
The detail SDBIP document is at a draft stage and will be finalized after approval of the 2020/21 MTREF in May 2020 directly aligned and informed by the 2019/20 MTREF.
4. **Annual Report**  
Annual report is compiled in terms of the MFMA and National Treasury requirements.
5. **MFMA Training**  
The MFMA training module in electronic format is presented and training is ongoing.

**6. Policies**

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009, was announced in Government Gazette 33016 on 12 March



## 2.14 OTHER Supporting documents

**Table 46 MBRR Table SA1 – Supporting detail to budgeted financial performance**

GT485 Rand West City - Supporting Table SA1 Supporting detail to  
'Budgeted Financial Performance'

| Description  | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    |                   | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| R thousand   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>REVENUE ITEMS:</b>  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Property rates</u>  | 6   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Property Rates   |     | 210,988         | 198,611         | 188,203         | 288,520              | 224,520         | 224,520            | 224,520           | 259,616   | 276,231                | 303,855                |
| <i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i> |     | 45,918          | –               | –               | –                    | –               | –                  | –                 | –   | –                      | –                      |
| Net Property Rates   |     | 165,070         | 198,611         | 188,203         | 288,520              | 224,520         | 224,520            | 224,520           | 259,616   | 276,231                | 303,855                |
| <u>Service charges - electricity revenue</u>   | 6   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Service charges - electricity revenue  |     | 501,127         | 556,116         | 569,323         | 837,951              | 707,358         | 707,358            | 707,358           | 782,887   | 831,740                | 883,640                |
| <i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>  |     | –               | –               | –               | –                    | –               | –                  | –                 | –   | –                      | –                      |
| Net Service charges - electricity revenue  |     | 501,127         | 556,116         | 569,323         | 837,951              | 707,358         | 707,358            | 707,358           | 782,887   | 831,740                | 883,640                |
| <u>Service charges - water revenue</u>   | 6   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Service charges - water revenue  |     | 226,539         | 285,777         | 289,658         | 331,744              | 340,386         | 340,386            | 340,386           | 362,814   | 384,583                | 407,658                |
| <i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>                                    |     | –               | –               | –               | –                    | –               | –                  | –                 | –   | –                      | –                      |
| Net Service charges - water revenue  |     | 226,539         | 285,777         | 289,658         | 331,744              | 340,386         | 340,386            | 340,386           | 362,814   | 384,583                | 407,658                |
| <u>Service charges - sanitation revenue</u>  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Service charges - sanitation revenue   |     | 45,810          | 49,113          | 83,178          | 55,886               | 73,042          | 73,042             | 73,042            | 77,716  | 82,379                 | 87,321                 |
| <i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |

|  |   |         |         |         |         |         |         |         |         |         |         |
|--|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <i>less Cost of Free Basis Services (free sanitation service to indigent households)</i> | 6 | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Net Service charges - sanitation revenue   |   | 45,810  | 49,113  | 83,178  | 55,886  | 73,042  | 73,042  | 73,042  | 77,716  | 82,379  | 87,321  |
| <u>Service charges - refuse revenue</u>  |   |         |         |         |         |         |         |         |         |         |         |
| Total refuse removal revenue   |   | 53,122  | 73,310  | 77,134  | 65,379  | 76,079  | 76,079  | 76,079  | 80,898  | 85,752  | 90,898  |
| Total landfill revenue   |   |         |         |         |         |         |         |         |         |         |         |
| <i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>    |   |         |         |         |         |         |         |         |         |         |         |
| <i>less Cost of Free Basis Services (removed once a week to indigent households)</i>     |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Net Service charges - refuse revenue   |   | 53,122  | 73,310  | 77,134  | 65,379  | 76,079  | 76,079  | 76,079  | 80,898  | 85,752  | 90,898  |
| <u>Other Revenue by source</u>   |   |         |         |         |         |         |         |         |         |         |         |
| <i>Fuel Levy</i>   |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <i>Advertising</i>   |   | 591     | -       | -       | -       | -       | -       | -       | 473     | 520     | 572     |
| <i>Grave and burial fees</i>   |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <i>Building Plan Fees</i>  |   | 2,470   | 27,370  | 30,339  | 26,536  | 19,592  | 19,592  | 19,592  | 3,088   | 3,397   | 3,737   |
| <i>Photocopying</i>  |   | 133     | -       | -       | -       | -       | -       | -       | 231     | 254     | 280     |
| <i>Other Farming Income</i>  |   | 148     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <i>Sale of bins</i>  |   | 1,138   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <i>Tender documents</i>  |   | 660     | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <i>Clearance Certificates</i>  |   | 4,495   | -       | -       | -       | -       | -       | -       | 346     | 380     | 418     |
| <i>Commissions</i>   |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <i>Sale of stands</i>  |   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <i>Search Fees</i>   |   | 4,676   | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| <i>Other Revenue</i>   |   | 4,453   | -       | -       | -       | -       | -       | -       | 18,002  | 19,802  | 21,782  |
| Total 'Other' Revenue  | 1 | 18,764  | 27,370  | 30,339  | 26,536  | 19,592  | 19,592  | 19,592  | 22,140  | 24,354  | 26,789  |
| <b>EXPENDITURE ITEMS:</b>  |   |         |         |         |         |         |         |         |         |         |         |
| <u>Employee related costs</u>  |   |         |         |         |         |         |         |         |         |         |         |
| Basic Salaries and Wages Pension and UIF   | 2 | 249,838 | 389,106 | 405,675 | 430,507 | 431,383 | 431,383 | 431,383 | 375,008 | 397,508 | 421,359 |
| Contributions  |   | 49,048  | 2,334   | 2,360   | 2,993   | 2,844   | 2,844   | 2,844   | 70,925  | 75,180  | 79,691  |
| Medical Aid Contributions  |   | 38,098  | 35,117  | 40,289  | 53,754  | 51,847  | 51,847  | 51,847  | 55,715  | 59,058  | 62,601  |
| Overtime   |   | 10,675  | 23,313  | 22,509  | -       | -       | -       | -       | -       | -       | -       |
| Performance Bonus  |   | 6,934   | 21,720  | 25,196  | 28,877  | 30,435  | 30,435  | 30,435  | 30,011  | 31,812  | 33,721  |
| Motor Vehicle Allowance  |   | 20,169  | 21,643  | 20,804  | 18,687  | 19,058  | 19,058  | 19,058  | 19,856  | 21,047  | 22,310  |

|   |   |         |          |         |         |         |         |         |         |         |         |
|---|---|---------|----------|---------|---------|---------|---------|---------|---------|---------|---------|
| Cellphone Allowance                             |   | 2,223   | –        | –       | –       | –       | –       | –       | 1,215   | 1,288   | 1,365   |
| Housing Allowances                              |   | 19,105  | 5,697    | 3,337   | 11,841  | 11,876  | 11,876  | 11,876  | 12,618  | 13,375  | 14,178  |
| Other benefits and allowances                   |   | 3,564   | (11,843) | (6,302) | –       | 23,068  | 23,068  | 23,068  | 15,449  | 16,376  | 17,359  |
| Payments in lieu of leave                       |   | 3,002   | 34,150   | 13,132  | –       | 84      | 84      | 84      | –       | –       | –       |
| Long service awards                             |   | 17,908  | –        | –       | –       | –       | –       | –       | –       | –       | –       |
| Post-retirement benefit obligations             | 4 | –       | –        | –       | –       | –       | –       | –       | –       | –       | –       |
| <i>sub-total</i>                                | 5 | 420,564 | 521,237  | 526,999 | 546,659 | 570,595 | 570,595 | 570,595 | 580,797 | 615,644 | 652,583 |
| <u>Less: Employees costs capitalised to PPE</u> |   | –       | –        | –       | –       | –       | –       | –       | –       | –       | –       |
| Total Employee related costs                    | 1 | 420,564 | 521,237  | 526,999 | 546,659 | 570,595 | 570,595 | 570,595 | 580,797 | 615,644 | 652,583 |
| <u>Depreciation &amp; asset impairment</u>      |   |         |          |         |         |         |         |         |         |         |         |
| Depreciation of Property, Plant & Equipment     |   | 174,388 | 213,416  | 183,162 | 231,732 | 159,968 | 159,968 | 159,968 | 190,500 | 201,930 | 214,046 |
| Lease amortisation                              |   | 688     | –        | –       | –       | –       | –       | –       | –       | –       | –       |
| Capital asset impairment                        |   | 62,297  | –        | –       | –       | –       | –       | –       | –       | –       | –       |
| Depreciation resulting from revaluation of PPE  |   | 15,391  | –        | –       | –       | –       | –       | –       | –       | –       | –       |
| Total Depreciation & asset impairment           | 1 | 221,982 | 213,416  | 183,162 | 231,732 | 159,968 | 159,968 | 159,968 | 190,500 | 201,930 | 214,046 |
| <u>Bulk purchases</u>                           |   |         |          |         |         |         |         |         |         |         |         |
| Electricity Bulk Purchases                      |   | 383,913 | 472,317  | 477,194 | 599,450 | 564,450 | 564,450 | 564,450 | 600,574 | 639,011 | 679,908 |
| Water Bulk Purchases                            |   | 173,109 | 211,637  | 249,908 | 249,593 | 249,593 | 249,593 | 249,593 | 265,567 | 282,563 | 300,647 |
| Total bulk purchases                            | 1 | 557,022 | 683,954  | 727,102 | 849,043 | 814,043 | 814,043 | 814,043 | 866,141 | 921,574 | 980,555 |
| <u>Transfers and grants</u>                     |   |         |          |         |         |         |         |         |         |         |         |
| Cash transfers and grants                       |   | –       | 4,415    | –       | –       | –       | –       | –       | –       | –       | –       |
| Non-cash transfers and grants                   |   | –       | –        | –       | –       | –       | –       | –       | –       | –       | –       |
| Total transfers and grants                      | 1 | –       | 4,415    | –       | –       | –       | –       | –       | –       | –       | –       |
| <u>Contracted services</u>                      |   |         |          |         |         |         |         |         |         |         |         |
| <i>Outsourced Services</i>                      |   | 7,365   | 53,543   | 63,644  | 54,376  | 47,850  | 47,850  | 47,850  | 54,369  | 57,632  | 61,089  |
| <i>Consultants and Professional Services</i>    |   | 18,260  | 23,537   | 27,978  | 33,246  | 21,013  | 21,013  | 21,013  | 16,241  | 17,215  | 18,248  |
| <i>Contractors</i>                              |   | 15,791  | 76,910   | 91,420  | 75,861  | 68,662  | 68,662  | 68,662  | 60,821  | 64,470  | 68,339  |
| Total contracted services                       |   | 41,417  | 153,990  | 183,041 | 163,483 | 137,525 | 137,525 | 137,525 | 131,431 | 139,317 | 147,676 |
| <u>Other Expenditure By Type</u>                |   |         |          |         |         |         |         |         |         |         |         |
| Collection costs                                |   | 3,625   | –        | –       | –       | –       | –       | –       | –       | –       | –       |

|                                     |   |         |         |         |         |         |         |         |        |        |        |
|-------------------------------------|---|---------|---------|---------|---------|---------|---------|---------|--------|--------|--------|
| Contributions to 'other' provisions |   | -       | -       | -       | -       | -       | -       | -       | -      | -      | -      |
| Audit fees                          |   | 10,554  | 9,662   | 8,267   | 9,500   | 8,950   | 8,950   | 8,950   | 8,950  | 9,487  | 10,056 |
| Other Expenditure                   |   | 133,464 | 111,195 | 144,965 | 94,951  | 91,786  | 91,786  | 91,786  | 78,756 | 83,482 | 88,490 |
| Total 'Other' Expenditure           | 1 | 147,643 | 120,856 | 153,232 | 104,451 | 100,736 | 100,736 | 100,736 | 87,706 | 92,969 | 98,546 |

|   |   |        |        |         |        |        |        |        |        |        |        |
|---|---|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|
| Repairs and Maintenance by Expenditure Item | 8 |        |        |         |        |        |        |        |        |        |        |
| Employee related costs                      |   |        | -      | -       | -      | -      | -      | -      | -      | -      | -      |
| Other materials                             |   | 28,475 | 73,568 | 101,194 | 66,969 | 57,378 | 57,378 | 57,378 | 60,821 | 63,198 | 66,990 |
| Contracted Services                         |   | 41,417 | -      | -       | -      | -      | -      | -      | -      | -      | -      |
| Other Expenditure                           |   | -      | -      | -       | -      | -      | -      | -      | -      | -      | -      |
| Total Repairs and Maintenance Expenditure   | 9 | 69,892 | 73,568 | 101,194 | 66,969 | 57,378 | 57,378 | 57,378 | 60,821 | 63,198 | 66,990 |

**Table 47 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)**

GT485 Rand West City - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

| Description                           | Ref | Vote 1 - MUNICIPAL MANAGEMENT OFFICE | Vote 2 - INFRASTRUCTURE SERVICES | Vote 3 - COMMUNITY SERVICES | Vote 4 - ECONOMIC DEVELOPMENT AND PLANNING | Vote 5 - GOVERNANCE AND TRANSFORMATION SERVICES | Vote 6 - FINANCIAL MANAGEMENT SERVICES | Vote 7 - CORPORATE SUPPORT SERVICES | Vote 8 - CHIEF INFORMATION OFFICER | Vote 9 - INTEGRAL AUDITING | Vote 10 - POLITICAL OFFICE and IGR | Vote 11 - [NAME OF VOTE 11] | Vote 12 - [NAME OF VOTE 12] | Vote 13 - [NAME OF VOTE 13] | Vote 14 - [NAME OF VOTE 14] | Vote 15 - [NAME OF VOTE 15] | Total   |
|---------------------------------------|-----|--------------------------------------|----------------------------------|-----------------------------|--|---|--|-------------------------------------|------------------------------------|----------------------------|------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------|
| Revenue By Source                     |     |                                      |                                  |                             |  |   |  |                                     |                                    |                            |                                    |                             |                             |                             |                             |                             |         |
| Property rates                        |     | -                                    | -                                | 20,459                      | -  | -   | 259,616                                | -                                   | -                                  | -                          | -                                  | -                           | -                           | -                           | -                           | -                           | 280,075 |
| Service charges - electricity revenue |     | -                                    | 782,887                          | -                           | -  | -   | -                                      | -                                   | -                                  | -                          | -                                  | -                           | -                           | -                           | -                           | -                           | 782,887 |
| Service charges - water revenue       |     | -                                    | 362,814                          | -                           | -  | -   | -                                      | -                                   | -                                  | -                          | -                                  | -                           | -                           | -                           | -                           | -                           | 362,814 |

|  |   |        |        |       |   |        |     |   |   |   |   |   |   |   |   |        |
|--|---|--------|--------|-------|---|--------|-----|---|---|---|---|---|---|---|---|--------|
| Service charges - sanitation revenue   | - | -      | 80,898 | -     | - | -      | -   | - | - | - | - | - | - | - | - | 80,898 |
| Service charges - refuse revenue       | - | 77,716 | -      | -     | - | -      | -   | - | - | - | - | - | - | - | - | 77,716 |
| Rental of facilities and equipment     | - | -      | 796    | 110   | - | 858    | -   | - | - | - | - | - | - | - | - | 1,764  |
| Interest earned - external investments | - | -      | -      | -     | - | 3,821  | -   | - | - | - | - | - | - | - | - | 3,821  |
| Interest earned - outstanding debtors  | - | -      | -      | -     | - | 41,675 | -   | - | - | - | - | - | - | - | - | 41,675 |
| Dividends received                     | - | -      | -      | -     | - | 56     | -   | - | - | - | - | - | - | - | - | 56     |
| Fines, penalties and forfeits          | - | 13,859 | -      | -     | - | -      | -   | - | - | - | - | - | - | - | - | 13,859 |
| Licences and permits                   | - | -      | 116    | -     | - | -      | -   | - | - | - | - | - | - | - | - | 116    |
| Agency services                        | - | -      | -      | -     | - | -      | -   | - | - | - | - | - | - | - | - | -      |
| Other revenue                          | - | 19     | 3,908  | 3,126 | - | 14,843 | 244 | - | - | - | - | - | - | - | - | 22,140 |

|   |       |           |         |        |        |         |        |        |       |        |   |   |   |   |   |           |
|---|-------|-----------|---------|--------|--------|---------|--------|--------|-------|--------|---|---|---|---|---|-----------|
| Transfers and subsidies                                       | 9,019 | 59,360    | 44,852  | 2,471  | 76,375 | 45,742  | 60,781 | 25,513 | 7,702 | 39,166 | - | - | - | - | - | 370,981   |
| Gains   | -     | -         | -       | -      | -      | -       | -      | -      | -     | -      | - | - | - | - | - | -         |
| Total Revenue (excluding capital transfers and contributions) | 9,019 | 1,296,654 | 151,030 | 5,707  | 76,375 | 366,612 | 61,024 | 25,513 | 7,702 | 39,166 | - | - | - | - | - | 2,038,803 |
| Expenditure By Type   | -     | -         | -       | -      | -      | -       | -      | -      | -     | -      | - | - | - | - | - | -         |
| Employee related costs  | 4,623 | 99,542    | 219,384 | 25,279 | 13,618 | 75,940  | 77,244 | 11,640 | 7,119 | 46,407 | - | - | - | - | - | 580,797   |
| Remuneration of councillors                                   | -     | -         | -       | -      | -      | -       | -      | -      | -     | 32,038 | - | - | - | - | - | 32,038    |
| Debt impairment   | -     | 48,781    | 7,862   | -      | -      | 45,275  | -      | -      | -     | -      | - | - | - | - | - | 101,918   |
| Depreciation & asset impairment                               | 44    | 137,250   | 20,614  | 728    | -      | 1,010   | 30,629 | 132    | 3     | 92     | - | - | - | - | - | 190,500   |
| Finance charges   | -     | -         | -       | -      | -      | 34,195  | 10,773 | -      | -     | -      | - | - | - | - | - | 44,968    |
| Bulk purchases  | -     | 866,141   | -       | -      | -      | -       | -      | -      | -     | -      | - | - | - | - | - | 866,141   |
| Other materials   | 20    | 63        | 1,384   | 249    | 23     | 284     | 421    | 20     | 6     | 6      | - | - | - | - | - | 2,475     |
| Contracted  | -     | 72,884    | 8,813   | -      | 4,793  | 6,760   | 33,322 | 4,330  | 530   | -      | - | - | - | - | - | 131,431   |

|   |       |        |           |          |        |         |          |       |     |          |   |   |   |   |   |        |
|---|-------|--------|-----------|----------|--------|---------|----------|-------|-----|----------|---|---|---|---|---|--------|
| services<br>Transfers<br>and<br>subsidies<br>Other<br>expenditure<br>Losses   | -     | -      | -         | -        | -      | -       | -        | -     | -   | -        | - | - | - | - | - | -      |
| Total<br>Expenditure  | 4,333 | 18,766 | 7,418     | 223      | 4,109  | 30,123  | 6,388    | 9,406 | 44  | 6,895    | - | - | - | - | - | 87,706 |
| Surplus/(Deficit)   | 0     | 53,228 | (114,445) | (20,771) | 53,832 | 173,025 | (97,752) | (15)  | (0) | (46,272) | - | - | - | - | - | 829    |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)   | -     | -      | -         | -        | -      | -       | -        | -     | -   | -        | - | - | - | - | - | -      |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions) | -     | -      | -         | -        | -      | -       | -        | -     | -   | -        | - | - | - | - | - | -      |

|  |   |        |           |          |        |         |          |      |     |          |   |   |   |   |   |     |
|--|---|--------|-----------|----------|--------|---------|----------|------|-----|----------|---|---|---|---|---|-----|
| utions, Private Enterprises, Public Corporations, Higher Educational Institutions) Transfers and subsidies - capital (in-kind - all) | - | -      | -         | -        | -      | -       | -        | -    | -   | -        | - | - | - | - | - | -   |
| Surplus/(Deficit) after capital transfers & contributions  | 0 | 53,228 | (114,445) | (20,771) | 53,832 | 173,025 | (97,752) | (15) | (0) | (46,272) | - | - | - | - | - | 829 |

**Table 48 MBRR Table SA3 – Supporting detail to statement of Financial position**

GT485 Rand West City - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

| Description                                | Ref | 2016/17         | 2017/18         | 2018/19         | Current Year 2019/20 |                 |                    |                   | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| R thousand                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>ASSETS</b>                              |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Consumer debtors</u>                    |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Consumer debtors                           |     | 583,485         | 502,816         | 622,988         | 603,877              | 603,877         | 603,877            | 603,877           | 211,399   | 211,399                | 211,399                |
| <u>Less: Provision for debt impairment</u> |     | (371,623)       | (311,151)       | (404,970)       | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Total Consumer debtors                     | 2   | 211,862         | 191,665         | 218,018         | 603,877              | 603,877         | 603,877            | 603,877           | 211,399   | 211,399                | 211,399                |



|  |           |           |           |           |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Debt impairment provision</b>             |           |           |           |           |           |           |           |           |           |           |
| Balance at the beginning of the year         | 325,868   | 235,551   | 311,151   | 481,959   | 481,959   | 481,959   | 481,959   | 481,959   | 512,804   | 545,624   |
| Contributions to the provision               | 45,755    | 116,079   | 109,137   | 121,918   | 121,918   | 121,918   | 121,918   | 101,918   | 108,033   | 114,515   |
| Bad debts written off                        | –         | (40,479)  | (15,318)  | –         | –         | –         | –         | (15,318)  | (16,298)  | (17,342)  |
| Balance at end of year                       | 371,623   | 311,151   | 404,970   | 603,877   | 603,877   | 603,877   | 603,877   | 568,559   | 604,539   | 642,797   |
| <b>Property, plant and equipment (PPE)</b>   |           |           |           |           |           |           |           |           |           |           |
| PPE at cost/valuation (excl. finance leases) | 7,286,339 | 3,864,318 | 4,100,560 | 4,442,000 | 4,839,843 | 5,066,308 | 5,292,772 | 5,519,237 | 5,769,032 | 6,042,002 |
| Leases recognised as PPE                     | –         | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Less: Accumulated depreciation               | 3,512,424 | 52,599    | 90,047    | 95,810    | 101,942   | 108,466   | 115,408   | 122,794   | 130,653   | 139,015   |
| Total Property, plant and equipment (PPE)    | 3,773,915 | 3,811,719 | 4,010,513 | 4,346,190 | 4,737,901 | 4,957,842 | 5,177,364 | 5,396,443 | 5,638,379 | 5,902,988 |
| <b>LIABILITIES</b>                           |           |           |           |           |           |           |           |           |           |           |
| <b>Current liabilities - Borrowing</b>       |           |           |           |           |           |           |           |           |           |           |
| Short term loans (other than bank overdraft) | –         | –         | –         | 58,710    | 58,710    | 58,710    | 58,710    | 62,233    | 65,967    | 69,925    |
| Current portion of long-term liabilities     | 14,028    | 1,429     | –         | 46,851    | 46,851    | 46,851    | 46,851    | 49,662    | 52,642    | 55,801    |
| Total Current liabilities - Borrowing        | 14,028    | 1,429     | –         | 105,561   | 105,561   | 105,561   | 105,561   | 111,895   | 118,609   | 125,726   |
| <b>Trade and other payables</b>              |           |           |           |           |           |           |           |           |           |           |
| Trade Payables                               | 562,334   | 663,778   | 940,930   | 427,076   | 427,076   | 427,076   | 427,076   | 452,701   | 479,863   | 508,655   |
| Other creditors                              | –         | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Unspent conditional transfers                | 45,885    | 12,577    | 12,576    | –         | –         | –         | –         | –         | –         | –         |
| VAT  | 69,646    | 78,935    | 59,376    | 104,486   | 104,486   | 104,486   | 104,486   | 110,755   | 117,401   | 124,445   |
| Total Trade and other payables               | 677,865   | 755,290   | 1,012,882 | 531,562   | 531,562   | 531,562   | 531,562   | 563,456   | 597,264   | 633,100   |
| <b>Non current liabilities - Borrowing</b>   |           |           |           |           |           |           |           |           |           |           |
| Borrowing                                    | 2,338     | –         | –         | 136,800   | 136,800   | 136,800   | 136,800   | –         | –         | –         |
| Finance leases (including PPP asset element) | –         | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Total Non current liabilities - Borrowing    | 2,338     | –         | –         | 136,800   | 136,800   | 136,800   | 136,800   | –         | –         | –         |
| <b>Provisions - non-current</b>              |           |           |           |           |           |           |           |           |           |           |
| Retirement benefits                          | 287,217   | 151,538   | 161,534   | 402,850   | 402,850   | 402,850   | 402,850   | 427,021   | 452,643   | 479,802   |
| Refuse landfill site rehabilitation          | –         | –         | –         | –         | –         | –         | –         | –         | –         | –         |
| Other  | –         | 167,533   | 180,558   | –         | –         | –         | –         | –         | –         | –         |

|   |   |           |           |          |           |           |           |           |           |           |           |
|---|---|-----------|-----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total Provisions - non-current                  |   | 287,217   | 319,070   | 342,092  | 402,850   | 402,850   | 402,850   | 402,850   | 427,021   | 452,643   | 479,802   |
| CHANGES IN NET ASSETS                           |   |           |           |          |           |           |           |           |           |           |           |
| <u>Accumulated Surplus/(Deficit)</u>            |   |           |           |          |           |           |           |           |           |           |           |
| Accumulated Surplus/(Deficit) - opening balance |   | 3,312,813 | 3,337,912 | 270,091  | 3,228,604 | 3,228,604 | 3,228,604 | 3,228,604 | 3,422,320 | 3,627,659 | 3,845,319 |
| GRAP adjustments                                |   | -         | -         | -        | -         | -         | -         | -         | -         | -         | -         |
| Restated balance                                |   | 3,312,813 | 3,337,912 | 270,091  | 3,228,604 | 3,228,604 | 3,228,604 | 3,228,604 | 3,422,320 | 3,627,659 | 3,845,319 |
| Surplus/(Deficit) Transfers to/from Reserves    |   | 31,893    | (189,443) | (83,835) | 188,461   | 138,049   | 138,049   | 138,049   | 829       | 2,955     | 15,378    |
| Depreciation offsets                            |   | -         | -         | -        | -         | -         | -         | -         | -         | -         | -         |
| Other adjustments                               |   | -         | -         | -        | -         | -         | -         | -         | -         | -         | -         |
| Accumulated Surplus/(Deficit) Reserves          | 1 | 3,344,706 | 3,148,469 | 186,255  | 3,417,065 | 3,366,653 | 3,366,653 | 3,366,653 | 3,423,149 | 3,630,614 | 3,860,697 |
| Housing Development Fund                        | - | -         | -         | -        | -         | -         | -         | -         | -         | -         | -         |
| Capital replacement                             |   | -         | -         | -        | -         | -         | -         | -         | -         | -         | -         |
| Self-insurance                                  |   | -         | -         | -        | -         | -         | -         | -         | -         | -         | -         |
| Other reserves                                  |   | 1,671     | 1,671     | 1,671    | 1,671     | 1,671     | 1,671     | 1,671     | 1,671     | 1,671     | 1,671     |
| Revaluation                                     |   | -         | -         | -        | -         | -         | -         | -         | -         | -         | -         |
| Total Reserves                                  | 2 | 1,671     | 1,671     | 1,671    | 1,671     | 1,671     | 1,671     | 1,671     | 1,671     | 1,671     | 1,671     |
| TOTAL COMMUNITY WEALTH/EQUITY                   | 2 | 3,346,377 | 3,150,140 | 187,926  | 3,418,736 | 3,368,324 | 3,368,324 | 3,368,324 | 3,424,820 | 3,632,285 | 3,862,368 |

**Table 49 MBRR Table SA9 – Social, economic and demographic statistics and assumptions**

GT485 Rand West City - Supporting Table SA9  
Social, economic and demographic statistics and assumptions

| Description of economic indicator | R ef. | Basis of calculation | 2001 Cen sus | 2007 Surve y | 2011 Censu s | 2016/17  | 2017/18  | 2018/19  | Current Year 2019/20 | 2020/21 Medium Term Revenue & Expenditure Framework |          |          |
|-----------------------------------|-------|----------------------|--------------|--------------|--------------|----------|----------|----------|----------------------|---|----------|----------|
|                                   |       |                      |              |              |              | Outco me | Outco me | Outco me | Original Budget      | Outco me  | Outco me | Outco me |
| <u>Demographics</u>               |       |                      |              |              |              |          |          |          |                      |   |          |          |
| Population                        |       | Number of people     | 238,641      | 216,479      | 261,053      | 265,900  | 270,846  | 275,884  | 279,939              | 284,055   | 288,230  | 292,467  |
| Females aged 5 - 14               |       | Number of people     | 18,065       | 16,389       | 19,803       | 20,172   | 20,547   | 20,929   | 21,237               | 21,549  | 21,866   | 22,187   |
| Males aged 5 - 14                 |       | Number of people     | 17,717       | 16,074       | 19,430       | 19,792   | 20,160   | 20,535   | 20,837               | 21,143  | 21,454   | 21,769   |

|   |       |                  |         |         |         |         |         |         |         |         |         |         |
|---|-------|------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Females aged 15 - 34                                |       | Number of people | 43,190  | 39,174  | 47,137  | 48,014  | 48,907  | 49,817  | 50,549  | 51,292  | 52,046  | 52,811  |
| Males aged 15 - 34                                  |       | Number of people | 48,965  | 44,405  | 53,288  | 54,280  | 55,289  | 56,318  | 57,146  | 57,986  | 58,838  | 59,703  |
| Unemployment  |       | Percentage       | 67.9%   | 68.2%   | 73,428  | 74,794  | 76,185  | 77,602  | 78,743  | 79,900  | 81,075  | 82,267  |
| <u>Monthly household income (no. of households)</u> | 1, 12 | -                |         |         |         |         |         |         |         |         |         |         |
| No income   |       | Number           | 10,621  | 15,416  | 13,586  | 13,786  | 13,988  | 14,194  | 14,403  | 14,614  | 14,829  | 15,047  |
| R1 - R1 600   |       | Number           | 997     | 1,459   | 1,278   | 1,297   | 1,316   | 1,335   | 1,355   | 1,375   | 1,395   | 1,415   |
| R1 601 - R3 200                                     |       | Number           | 997     | 1,459   | 1,278   | 1,297   | 1,316   | 1,335   | 1,355   | 1,375   | 1,395   | 1,415   |
| R3 201 - R6 400                                     |       | Number           | 3,297   | 4,974   | 3,085   | 3,130   | 3,176   | 3,223   | 3,270   | 3,319   | 3,367   | 3,417   |
| R6 401 - R12 800                                    |       | Number           | 7,243   | 9,974   | 9,149   | 9,283   | 9,420   | 9,558   | 9,699   | 9,842   | 9,986   | 10,133  |
| R12 801 - R25 600                                   |       | Number           | 10,094  | 13,679  | 12,676  | 12,862  | 13,051  | 13,243  | 13,438  | 13,635  | 13,836  | 14,039  |
| R25 601 - R51 200                                   |       | Number           | 11,486  | 15,990  | 14,548  | 14,762  | 14,979  | 15,199  | 15,422  | 15,649  | 15,879  | 16,113  |
| R52 201 - R102 400                                  |       | Number           | 9,401   | 13,022  | 12,072  | 12,249  | 12,430  | 12,612  | 12,798  | 12,986  | 13,177  | 13,370  |
| R102 401 - R204 800                                 |       | Number           | 6,279   | 8,261   | 7,823   | 7,938   | 8,055   | 8,173   | 8,293   | 8,415   | 8,539   | 8,664   |
| R204 801 - R409 600                                 |       | Number           | 4,133   | 5,294   | 5,114   | 5,189   | 5,265   | 5,343   | 5,421   | 5,501   | 5,582   | 5,664   |
| R409 601 - R819 200                                 |       | Number           | 1,883   | 2,399   | 2,205   | 2,237   | 2,270   | 2,304   | 2,338   | 2,372   | 2,407   | 2,442   |
| > R819 200  |       | Number           | 560     | 678     | 785     | 797     | 808     | 820     | 832     | 844     | 857     | 869     |
| <u>Poverty profiles (no. of households)</u>         | 13    |                  |         |         |         |         |         |         |         |         |         |         |
| < R2 060 per household per month                    |       |                  |         |         |         |         |         |         |         |         |         |         |
| Insert description                                  | 2     | Number           | 1,460   | 2,096   | 1,862   | 1889    | 1917    | 1944    | 1973    | 2002    | 2031    | 2061    |
| <u>Household/demographics (000)</u>                 |       |                  |         |         |         |         |         |         |         |         |         |         |
| Number of people in municipal area                  |       | Number           | 238,641 | 216,479 | 261,053 | 265,900 | 270,846 | 275,884 | 279,939 | 284,054 | 288,230 | 292,467 |
| Number of poor people in municipal area             |       | Number           | 38,109  | 34,637  | 41,768  | 42,382  | 43,005  | 43,637  | 44,279  | 44,930  | 45,590  | 46,261  |

|   |   |             |        |        |        |        |        |        |        |        |        |        |
|---|---|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Number of households in municipal area      |   | Number      | 66,263 | 91,134 | 83,400 | 84,626 | 85,870 | 87,132 | 88,413 | 89,713 | 91,031 | 92,370 |
| Number of poor households in municipal area |   | Number      | 1,454  | 2,187  | 1,835  | 1,861  | 1,889  | 1,917  | 1,945  | 1,974  | 2,003  | 2,032  |
| Definition of poor household (R per month)  |   | R per month | 2,096  | 2,096  | 2,096  | 2,096  | 2,096  | 2,096  | 2,096  | 2,127  | 2,158  | 2,190  |
| <b>Housing statistics</b>                   | 3 |             |        |        |        |        |        |        |        |        |        |        |
| Formal                                      |   | Number      | 41,555 | 63,832 | 58,299 | 59,156 | 60,026 | 60,908 | 61,803 | 62,712 | 63,634 | 64,569 |
| Informal                                    |   | Number      | 24,708 | 27,302 | 25,101 | 25,470 | 25,844 | 26,224 | 26,610 | 27,001 | 27,398 | 27,801 |
| Total number of households                  |   |             | 66,263 | 91,134 | 83,400 | 84,626 | 85,870 | 87,132 | 88,413 | 89,713 | 91,032 | 92,370 |
| Dwellings provided by municipality          | 4 |             |        |        |        |        |        |        |        |        |        |        |
| Dwellings provided by province/s            |   |             |        |        |        |        |        |        |        |        |        |        |
| Dwellings provided by private sector        | 5 |             |        |        |        |        |        |        |        |        |        |        |
| Total new housing dwellings                 |   |             | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      |
| <b>Economic</b>                             | 6 |             |        |        |        |        |        |        |        |        |        |        |
| Inflation/inflation outlook (CPIX)          |   |             |        |        |        |        |        |        |        |        |        |        |
| Interest rate - borrowing                   |   |             |        |        |        |        |        |        |        |        |        |        |
| Interest rate - investment                  |   |             |        |        |        |        |        |        |        |        |        |        |
| Remuneration increases                      |   |             |        |        |        |        |        |        |        |        |        |        |
| Consumption growth (electricity)            |   |             |        |        |        |        |        |        |        |        |        |        |
| Consumption growth (water)                  |   |             |        |        |        |        |        |        |        |        |        |        |
| <b>Collection rates</b>                     | 7 |             |        |        |        |        |        |        |        |        |        |        |
| Property tax/service charges                |   |             |        |        |        |        |        |        |        |        |        |        |
| Rental of facilities & equipment            |   |             |        |        |        |        |        |        |        |        |        |        |
| Interest - external investments             |   |             |        |        |        |        |        |        |        |        |        |        |
| Interest - debtors                          |   |             |        |        |        |        |        |        |        |        |        |        |
| Revenue from agency services                |   |             |        |        |        |        |        |        |        |        |        |        |

**Detail on the provision of municipal services for A10**

|  |  |         |         |         |                      |   |
|--|--|---------|---------|---------|----------------------|---|
|  |  | 2016/17 | 2017/18 | 2018/19 | Current Year 2019/20 | 2020/21 Medium Term Revenue & Expenditure Framework |
|--|--|---------|---------|---------|----------------------|---|

| Total municipal services | R ef. |  | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2020/21 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
|--------------------------|-------|--|---------|---------|---------|-----------------|-----------------|--------------------|---------------------|------------------------|------------------------|
|                          |       | <u>Household service targets (000)</u>           |         |         |         |                 |                 |                    |                     |                        |                        |
|                          |       | <u>Water:</u>                                    |         |         |         |                 |                 |                    |                     |                        |                        |
|                          |       | Piped water inside dwelling                      | 41,108  | 41,108  | 41,108  | 72,368          | 72,368          | 72,368             | 48,243              | 48,952                 | 49,672                 |
|                          |       | Piped water inside yard (but not in dwelling)    | 9,127   | 9,127   | 9,127   | 9,127           | 9,127           | 9,127              | 42,036              | 42,654                 | 43,281                 |
|                          | 8     | Using public tap (at least min.service level)    | 16,883  | 16,883  | 16,883  | 10,883          | 10,883          | 10,883             | 7,816               | 7,931                  | 8,047                  |
|                          | 10    | Other water supply (at least min.service level)  | 35,670  | 35,670  | 35,670  | 15,670          | 15,670          | 15,670             | 2,706               | 2,746                  | 2,786                  |
|                          |       | <i>Minimum Service Level and Above sub-total</i> | 102,788 | 102,788 | 102,788 | 108,048         | 108,048         | 108,048            | 100,801             | 102,283                | 103,786                |
|                          | 9     | Using public tap (< min.service level)           | –       | –       | –       | –               | –               | –                  | –                   | –                      | –                      |
|                          | 10    | Other water supply (< min.service level)         | –       | –       | –       | –               | –               | –                  | –                   | –                      | –                      |
|                          |       | No water supply                                  | –       | –       | –       | –               | –               | –                  | –                   | –                      | –                      |
|                          |       | <i>Below Minimum Service Level sub-total</i>     | –       | –       | –       | –               | –               | –                  | –                   | –                      | –                      |
|                          |       | <b>Total number of households</b>                | 102,788 | 102,788 | 102,788 | 108,048         | 108,048         | 108,048            | 100,801             | 102,283                | 103,786                |
|                          |       | <u>Sanitation/sewerage:</u>                      |         |         |         |                 |                 |                    |                     |                        |                        |
|                          |       | Flush toilet (connected to sewerage)             | 24,930  | 24,930  | 24,930  | 26,630          | 26,630          | 26,630             | 56,303              | 57,131                 | 57,970                 |
|                          |       | Flush toilet (with septic tank)                  | 735     | 735     | 735     | 1,735           | 1,735           | 1,735              | 3,879               | 3,936                  | 3,994                  |
|                          |       | Chemical toilet                                  | 601     | 601     | 601     | 1,000           | 1,000           | 1,000              | 409                 | 415                    | 421                    |
|                          |       | Pit toilet (ventilated)                          | 1,000   | 1,000   | 1,000   | 1,500           | 1,500           | 1,500              | 9,554               | 9,694                  | 9,837                  |
|                          |       | Other toilet provisions (> min.service level)    | 100     | 100     | 100     | 200             | 200             | 200                | 9,962               | 10,108                 | 10,257                 |
|                          |       | <i>Minimum Service Level and Above sub-total</i> | 27,366  | 27,366  | 27,366  | 31,065          | 31,065          | 31,065             | 80,107              | 81,285                 | 82,479                 |
|                          |       | Bucket toilet                                    | –       | –       | –       | –               | –               | –                  | –                   | –                      | –                      |
|                          |       | Other toilet provisions (< min.service level)    | –       | –       | –       | –               | –               | –                  | –                   | –                      | –                      |
|                          |       | No toilet provisions                             | 550     | 550     | 550     | –               | –               | –                  | –                   | –                      | –                      |
|                          |       | <i>Below Minimum Service Level sub-total</i>     | 550     | 550     | 550     | –               | –               | –                  | –                   | –                      | –                      |
|                          |       | <b>Total number of households</b>                | 27,916  | 27,916  | 27,916  | 31,065          | 31,065          | 31,065             | 80,107              | 81,285                 | 82,479                 |

|                             |       |  |         |         |         |                      |                 |                    |   |                        |                        |
|-----------------------------|-------|--|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                             |       | <u>Energy:</u><br>Electricity (at least min.service level) | 40,720  | 40,720  | 40,720  | 25,225               | 25,225          | 25,225             | 68,589  | 69,597                 | 70,620                 |
|                             |       | Electricity - prepaid (min.service level)                  | 5,720   | 5,720   | 5,720   | 54,231               | 54,231          | 54,231             | 40,684  | 41,282                 | 41,889                 |
|                             |       | <i>Minimum Service Level and Above sub-total</i>           | 46,440  | 46,440  | 46,440  | 79,456               | 79,456          | 79,456             | 109,273   | 110,879                | 112,509                |
|                             |       | Electricity (< min.service level)                          | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                             |       | Electricity - prepaid (< min.service level)                | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                             |       | Other energy sources                                       | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                             |       | <i>Below Minimum Service Level sub-total</i>               | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                             |       | Total number of households                                 | 46,440  | 46,440  | 46,440  | 79,456               | 79,456          | 79,456             | 109,273   | 110,879                | 112,509                |
|                             |       | <u>Refuse:</u><br>Removed at least once a week             | 41,235  | 41,235  | 41,235  | 48,937               | 48,937          | 48,937             | 67,815  | 68,812                 | 69,823                 |
|                             |       | <i>Minimum Service Level and Above sub-total</i>           | 41,235  | 41,235  | 41,235  | 48,937               | 48,937          | 48,937             | 67,815  | 68,812                 | 69,823                 |
|                             |       | Removed less frequently than once a week                   | 547     | 547     | 547     | -                    | -               | -                  | -   | -                      | -                      |
|                             |       | Using communal refuse dump                                 | 2,865   | 2,865   | 2,865   | -                    | -               | -                  | -   | -                      | -                      |
|                             |       | Using own refuse dump                                      | 11,523  | 11,523  | 11,523  | -                    | -               | -                  | -   | -                      | -                      |
|                             |       | Other rubbish disposal                                     | 720     | 720     | 720     | -                    | -               | -                  | -   | -                      | -                      |
|                             |       | No rubbish disposal  | 124     | 124     | 124     | -                    | -               | -                  | -   | -                      | -                      |
|                             |       | <i>Below Minimum Service Level sub-total</i>               | 15,779  | 15,779  | 15,779  | -                    | -               | -                  | -   | -                      | -                      |
|                             |       | Total number of households                                 | 57,014  | 57,014  | 57,014  | 48,937               | 48,937          | 48,937             | 67,815  | 68,812                 | 69,823                 |
| Municipal in-house services | R ef. |  | 2016/17 | 2017/18 | 2018/19 | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|                             |       |  | Outcome | Outcome | Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
|                             |       | <u>Household service targets (000)</u>                     |         |         |         |                      |                 |                    |   |                        |                        |
|                             |       | <u>Water:</u><br>Piped water inside dwelling               | 41,108  | 41,108  | 41,108  | 72,368               | 72,368          | 72,368             | 48,243  | 48,952                 | 49,672                 |

|                                    |  |         |         |         |         |         |         |         |         |         |
|------------------------------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 8                                  | Piped water inside yard (but not in dwelling)    | 9,127   | 9,127   | 9,127   | 9,127   | 9,127   | 9,127   | 42,036  | 42,654  | 43,281  |
|                                    | Using public tap (at least min.service level)    | 16,883  | 16,883  | 16,883  | 10,883  | 10,883  | 10,883  | 7,816   | 7,931   | 8,047   |
| 10                                 | Other water supply (at least min.service level)  | 35,670  | 35,670  | 35,670  | 15,670  | 15,670  | 15,670  | 2,706   | 2,746   | 2,786   |
|                                    | <i>Minimum Service Level and Above sub-total</i> | 102,788 | 102,788 | 102,788 | 108,048 | 108,048 | 108,048 | 100,801 | 102,283 | 103,786 |
| 9                                  | Using public tap (< min.service level)           | –       | –       | –       | –       | –       | –       | –       | –       | –       |
|                                    | Other water supply (< min.service level)         | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| 10                                 | No water supply                                  | –       | –       | –       | –       | –       | –       | –       | –       | –       |
|                                    | <i>Below Minimum Service Level sub-total</i>     | –       | –       | –       | –       | –       | –       | –       | –       | –       |
| <b>Total number of households</b>  |  | 102,788 | 102,788 | 102,788 | 108,048 | 108,048 | 108,048 | 100,801 | 102,283 | 103,786 |
| <b><u>Sanitation/sewerage:</u></b> |  |         |         |         |         |         |         |         |         |         |
|                                    | Flush toilet (connected to sewerage)             | 24,930  | 24,930  | 24,930  | 26,630  | 26,630  | 26,630  | 56,303  | 57,131  | 57,970  |
|                                    | Flush toilet (with septic tank)                  | 735     | 735     | 735     | 1,735   | 1,735   | 1,735   | 3,879   | 3,936   | 3,994   |
|                                    | Chemical toilet                                  | 601     | 601     | 601     | 1,000   | 1,000   | 1,000   | 409     | 415     | 421     |
|                                    | Pit toilet (ventilated)                          | 1,000   | 1,000   | 1,000   | 1,500   | 1,500   | 1,500   | 9,554   | 9,694   | 9,837   |
|                                    | Other toilet provisions (> min.service level)    | 100     | 100     | 100     | 200     | 200     | 200     | 9,962   | 10,108  | 10,257  |
|                                    | <i>Minimum Service Level and Above sub-total</i> | 27,366  | 27,366  | 27,366  | 31,065  | 31,065  | 31,065  | 80,107  | 81,285  | 82,479  |
|                                    | Bucket toilet                                    | –       | –       | –       | –       | –       | –       | –       | –       | –       |
|                                    | Other toilet provisions (< min.service level)    | –       | –       | –       | –       | –       | –       | –       | –       | –       |
|                                    | No toilet provisions                             | 550     | 550     | 550     | –       | –       | –       | –       | –       | –       |
|                                    | <i>Below Minimum Service Level sub-total</i>     | 550     | 550     | 550     | –       | –       | –       | –       | –       | –       |
| <b>Total number of households</b>  |  | 27,916  | 27,916  | 27,916  | 31,065  | 31,065  | 31,065  | 80,107  | 81,285  | 82,479  |
| <b><u>Energy:</u></b>              |  |         |         |         |         |         |         |         |         |         |
|                                    | Electricity (at least min.service level)         | 40,720  | 40,720  | 40,720  | 25,225  | 25,225  | 25,225  | 68,589  | 69,597  | 70,620  |
|                                    | Electricity - prepaid (min.service level)        | 5,720   | 5,720   | 5,720   | 54,231  | 54,231  | 54,231  | 40,684  | 41,282  | 41,889  |
|                                    | <i>Minimum Service Level and Above sub-total</i> | 46,440  | 46,440  | 46,440  | 79,456  | 79,456  | 79,456  | 109,273 | 110,879 | 112,509 |
|                                    | Electricity (< min.service level)                | –       | –       | –       | –       | –       | –       | –       | –       | –       |

|  |              |  |         |         |         |                      |                 |                    |   |                        |                        |
|--|--------------|--|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |              | Electricity - prepaid (< min. service level)     | -       | -       | -       | -                    | -               | -                  | -   | -                      |                        |
|  |              | Other energy sources                             | -       | -       | -       | -                    | -               | -                  | -   | -                      |                        |
|  |              | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      |                        |
|  |              | Total number of households                       | 46,440  | 46,440  | 79,456  | 79,456               | 79,456          | 109,273            | 110,879   | 112,509                |                        |
|  |              | <u>Refuse:</u>                                   |         |         |         |                      |                 |                    |   |                        |                        |
|  |              | Removed at least once a week                     | 41,235  | 41,235  | 48,937  | 48,937               | 48,937          | 67,815             | 68,812  | 69,823                 |                        |
|  |              | <i>Minimum Service Level and Above sub-total</i> | 41,235  | 41,235  | 48,937  | 48,937               | 48,937          | 67,815             | 68,812  | 69,823                 |                        |
|  |              | Removed less frequently than once a week         | 547     | 547     | -       | -                    | -               | -                  | -   | -                      |                        |
|  |              | Using communal refuse dump                       | 2,865   | 2,865   | -       | -                    | -               | -                  | -   | -                      |                        |
|  |              | Using own refuse dump                            | 11,523  | 11,523  | -       | -                    | -               | -                  | -   | -                      |                        |
|  |              | Other rubbish disposal                           | 720     | 720     | -       | -                    | -               | -                  | -   | -                      |                        |
|  |              | No rubbish disposal                              | 124     | 124     | -       | -                    | -               | -                  | -   | -                      |                        |
|  |              | <i>Below Minimum Service Level sub-total</i>     | 15,779  | 15,779  | -       | -                    | -               | -                  | -   | -                      |                        |
|  |              | Total number of households                       | 57,014  | 57,014  | 48,937  | 48,937               | 48,937          | 67,815             | 68,812  | 69,823                 |                        |
| Municipal entity services              | Ref.         |  | 2016/17 | 2017/18 | 2018/19 | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|  |              |  | Outcome | Outcome | Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| Name of municipal entity               | 8<br>10<br>9 | <u>Household service targets (000)</u>           |         |         |         |                      |                 |                    |   |                        |                        |
|  |              | <u>Water:</u>                                    |         |         |         |                      |                 |                    |   |                        |                        |
|  |              | Piped water inside dwelling                      | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |              | Piped water inside yard (but not in dwelling)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |              | Using public tap (at least min.service level)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |              | Other water supply (at least min.service level)  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |              | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
| Using public tap (< min.service level) | -            | -  | -       | -       | -       | -                    | -               | -                  | -   |                        |                        |



|                          |  |   |   |   |   |   |   |   |   |
|--------------------------|--|---|---|---|---|---|---|---|---|
| 10                       | Other water supply (< min.service level)         | - | - | - | - | - | - | - | - |
|                          | No water supply                                  | - | - | - | - | - | - | - | - |
|                          | <i>Below Minimum Service Level sub-total</i>     | - | - | - | - | - | - | - | - |
|                          | Total number of households                       | - | - | - | - | - | - | - | - |
| Name of municipal entity | <u>Sanitation/sewerage:</u>                      |   |   |   |   |   |   |   |   |
|                          | Flush toilet (connected to sewerage)             | - | - | - | - | - | - | - | - |
|                          | Flush toilet (with septic tank)                  | - | - | - | - | - | - | - | - |
|                          | Chemical toilet                                  | - | - | - | - | - | - | - | - |
|                          | Pit toilet (ventilated)                          | - | - | - | - | - | - | - | - |
|                          | Other toilet provisions (> min.service level)    | - | - | - | - | - | - | - | - |
|                          | <i>Minimum Service Level and Above sub-total</i> | - | - | - | - | - | - | - | - |
|                          | Bucket toilet                                    | - | - | - | - | - | - | - | - |
|                          | Other toilet provisions (< min.service level)    | - | - | - | - | - | - | - | - |
|                          | No toilet provisions                             | - | - | - | - | - | - | - | - |
|                          | <i>Below Minimum Service Level sub-total</i>     | - | - | - | - | - | - | - | - |
|                          | Total number of households                       | - | - | - | - | - | - | - | - |
| Name of municipal entity | <u>Energy:</u>                                   |   |   |   |   |   |   |   |   |
|                          | Electricity (at least min.service level)         | - | - | - | - | - | - | - | - |
|                          | Electricity - prepaid (min.service level)        | - | - | - | - | - | - | - | - |
|                          | <i>Minimum Service Level and Above sub-total</i> | - | - | - | - | - | - | - | - |
|                          | Electricity (< min.service level)                | - | - | - | - | - | - | - | - |
|                          | Electricity - prepaid (< min.service level)      | - | - | - | - | - | - | - | - |
|                          | Other energy sources                             | - | - | - | - | - | - | - | - |
|                          | <i>Below Minimum Service Level sub-total</i>     | - | - | - | - | - | - | - | - |
|                          | Total number of households                       | - | - | - | - | - | - | - | - |
| Name of municipal entity | <u>Refuse:</u>                                   |   |   |   |   |   |   |   |   |
|                          | Removed at least once a week                     | - | - | - | - | - | - | - | - |

|  |       | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|--|-------|--|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |       | Removed less frequently than once a week         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | Using communal refuse dump                       | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | Using own refuse dump                            | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | Other rubbish disposal                           | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | No rubbish disposal                              | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | Total number of households                       | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
| Services provided by 'external mechanisms' | R ef. |  | 2016/17 | 2017/18 | 2018/19 | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|  |       |  | Outcome | Outcome | Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| Names of service providers                 |       | <u>Household service targets (000)</u>           |         |         |         |                      |                 |                    |   |                        |                        |
|  |       | <u>Water:</u>                                    |         |         |         |                      |                 |                    |   |                        |                        |
|  |       | Piped water inside dwelling                      | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | Piped water inside yard (but not in dwelling)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  | 8     | Using public tap (at least min.service level)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  | 10    | Other water supply (at least min.service level)  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  | 9     | Using public tap (< min.service level)           | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  | 10    | Other water supply (< min.service level)         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | No water supply                                  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | Total number of households                       | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
| Names of service providers                 |       | <u>Sanitation/sewerage:</u>                      |         |         |         |                      |                 |                    |   |                        |                        |
|  |       | Flush toilet (connected to sewerage)             | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |       | Flush toilet (with septic tank)                  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |

|                            |                          |   |   |   |   |   |   |   |   |
|----------------------------|--------------------------|---|---|---|---|---|---|---|---|
|                            | Chemical toilet          | - | - | - | - | - | - | - | - |
|                            | Pit toilet               | - | - | - | - | - | - | - | - |
|                            | (ventilated)             | - | - | - | - | - | - | - | - |
|                            | Other toilet             | - | - | - | - | - | - | - | - |
|                            | provisions (>            | - | - | - | - | - | - | - | - |
|                            | min.service level)       | - | - | - | - | - | - | - | - |
|                            | <i>Minimum</i>           | - | - | - | - | - | - | - | - |
|                            | <i>Service Level and</i> | - | - | - | - | - | - | - | - |
|                            | <i>Above sub-total</i>   | - | - | - | - | - | - | - | - |
|                            | Bucket toilet            | - | - | - | - | - | - | - | - |
|                            | Other toilet             | - | - | - | - | - | - | - | - |
|                            | provisions (<            | - | - | - | - | - | - | - | - |
|                            | min.service level)       | - | - | - | - | - | - | - | - |
|                            | No toilet                | - | - | - | - | - | - | - | - |
|                            | provisions               | - | - | - | - | - | - | - | - |
|                            | <i>Below</i>             | - | - | - | - | - | - | - | - |
|                            | <i>Minimum Service</i>   | - | - | - | - | - | - | - | - |
|                            | <i>Level sub-total</i>   | - | - | - | - | - | - | - | - |
|                            | Total number of          | - | - | - | - | - | - | - | - |
|                            | households               | - | - | - | - | - | - | - | - |
| Names of service providers | <u><b>Energy:</b></u>    | - | - | - | - | - | - | - | - |
|                            | Electricity (at          | - | - | - | - | - | - | - | - |
|                            | least min.service        | - | - | - | - | - | - | - | - |
|                            | level)                   | - | - | - | - | - | - | - | - |
|                            | Electricity -            | - | - | - | - | - | - | - | - |
|                            | prepaid                  | - | - | - | - | - | - | - | - |
|                            | (min.service             | - | - | - | - | - | - | - | - |
|                            | level)                   | - | - | - | - | - | - | - | - |
|                            | <i>Minimum</i>           | - | - | - | - | - | - | - | - |
|                            | <i>Service Level and</i> | - | - | - | - | - | - | - | - |
|                            | <i>Above sub-total</i>   | - | - | - | - | - | - | - | - |
|                            | Electricity (<           | - | - | - | - | - | - | - | - |
|                            | min.service level)       | - | - | - | - | - | - | - | - |
|                            | Electricity -            | - | - | - | - | - | - | - | - |
|                            | prepaid (< min.          | - | - | - | - | - | - | - | - |
|                            | service level)           | - | - | - | - | - | - | - | - |
|                            | Other energy             | - | - | - | - | - | - | - | - |
|                            | sources                  | - | - | - | - | - | - | - | - |
|                            | <i>Below</i>             | - | - | - | - | - | - | - | - |
|                            | <i>Minimum Service</i>   | - | - | - | - | - | - | - | - |
|                            | <i>Level sub-total</i>   | - | - | - | - | - | - | - | - |
|                            | Total number of          | - | - | - | - | - | - | - | - |
|                            | households               | - | - | - | - | - | - | - | - |
| Names of service providers | <u><b>Refuse:</b></u>    | - | - | - | - | - | - | - | - |
|                            | Removed at               | - | - | - | - | - | - | - | - |
|                            | least once a week        | - | - | - | - | - | - | - | - |
|                            | <i>Minimum</i>           | - | - | - | - | - | - | - | - |
|                            | <i>Service Level and</i> | - | - | - | - | - | - | - | - |
|                            | <i>Above sub-total</i>   | - | - | - | - | - | - | - | - |
|                            | Removed less             | - | - | - | - | - | - | - | - |
|                            | frequently than          | - | - | - | - | - | - | - | - |
|                            | once a week              | - | - | - | - | - | - | - | - |
|                            | Using                    | - | - | - | - | - | - | - | - |
|                            | communal refuse          | - | - | - | - | - | - | - | - |
|                            | dump                     | - | - | - | - | - | - | - | - |
|                            | Using own                | - | - | - | - | - | - | - | - |
|                            | refuse dump              | - | - | - | - | - | - | - | - |
|                            | Other rubbish            | - | - | - | - | - | - | - | - |
|                            | disposal                 | - | - | - | - | - | - | - | - |
|                            | No rubbish               | - | - | - | - | - | - | - | - |
|                            | disposal                 | - | - | - | - | - | - | - | - |
|                            | <i>Below</i>             | - | - | - | - | - | - | - | - |
|                            | <i>Minimum Service</i>   | - | - | - | - | - | - | - | - |
|                            | <i>Level sub-total</i>   | - | - | - | - | - | - | - | - |

|  |       | Total number of households  | -         | -         | -         | -                    | -               | -                  | -   | -                      | -                      |
|--|-------|---|-----------|-----------|-----------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| Detail of Free Basic Services (FBS) provided |       |   | 2016/17   | 2017/18   | 2018/19   | Current Year 2019/20 |                 |                    | 2020/21 Medium Term Revenue & Expenditure Framework |                        |                        |
|  |       |   | Outcome   | Outcome   | Outcome   | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2020/21                                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| Electricity                                  |       | <u>Location of households for each type of FBS</u>  |           |           |           |                      |                 |                    |   |                        |                        |
|  | R ef. |   |           |           |           |                      |                 |                    |   |                        |                        |
| List type of FBS service                     |       | Formal settlements - (50 kwh per indigent household per month Rands)<br>Number of HH receiving this type of FBS | 636,000   | 6,473,585 | 6,916,378 | 7,381,662            | 7,381,662       | 7,381,662          | 1,276,899   | 1,373,502              | 1,477,355              |
|  |       | Informal settlements (Rands)<br>Number of HH receiving this type of FBS   | -         | -         | -         | 13,853               | 13,853          | 13,853             | 11,309  | 11,475                 | 11,644                 |
|  |       | Informal settlements targeted for upgrading (Rands)<br>Number of HH receiving this type of FBS                  | -         | -         | -         | -                    | -               | -                  | -   | -                      | -                      |
|  |       | Living in informal backyard rental agreement (Rands)<br>Number of HH receiving this type of FBS                 | -         | -         | -         | -                    | -               | -                  | -   | -                      | -                      |
|  |       | Other (Rands)<br>Number of HH receiving this type of FBS  | -         | -         | -         | -                    | -               | -                  | -   | -                      | -                      |
|  |       | Total cost of FBS - Electricity for informal settlements  | -         | -         | -         | -                    | -               | -                  | -   | -                      | -                      |
| Water  |       | <u>Location of households for each type of FBS</u>  |           |           |           |                      |                 |                    |   |                        |                        |
|  | R ef. |   |           |           |           |                      |                 |                    |   |                        |                        |
| List type of FBS service                     |       | Formal settlements - (6 kilolitre per indigent household per month Rands)                                       | 4,657,853 | 4,657,853 | 5,226,111 | 5,267,169            | 5,267,169       | 5,267,169          | 203,223   | 21,858                 | 235,105                |

|            |       |  |   |   |   |           |           |           |           |           |           |
|------------|-------|--|---|---|---|-----------|-----------|-----------|-----------|-----------|-----------|
|            |       | <i>Number of HH receiving this type of FBS</i>                               |   |   |   | 13,853    | 13,853    | 13,853    | 11,309    | 11,475    | 11,644    |
|            |       | <b>Informal settlements (Rands)</b>  |   |   |   |           |           |           |           |           |           |
|            |       | <i>Number of HH receiving this type of FBS</i>                               | - | - | - | -         | -         | -         | -         | -         | -         |
|            |       | <b>Informal settlements targeted for upgrading (Rands)</b>                   |   |   |   |           |           |           |           |           |           |
|            |       | <i>Number of HH receiving this type of FBS</i>                               | - | - | - | -         | -         | -         | -         | -         | -         |
|            |       | <b>Living in informal backyard rental agreement (Rands)</b>                  |   |   |   |           |           |           |           |           |           |
|            |       | <i>Number of HH receiving this type of FBS</i>                               | - | - | - | -         | -         | -         | -         | -         | -         |
|            |       | <b>Other (Rands)</b>   |   |   |   |           |           |           |           |           |           |
|            |       | <i>Number of HH receiving this type of FBS</i>                               | - | - | - | -         | -         | -         | -         | -         | -         |
|            |       | <b>Total cost of FBS - Water for informal settlements</b>                    | - | - | - | -         | -         | -         | -         | -         | -         |
| Sanitation |       | <u><b>Location of households for each type of FBS</b></u>                    |   |   |   |           |           |           |           |           |           |
|            | R ef. | <b>Formal settlements - (free sanitation service to indigent households)</b> |   |   |   |           |           |           |           |           |           |
|            |       | <i>Number of HH receiving this type of FBS</i>                               | - | - | - | 2,676,677 | 2,676,677 | 2,676,677 | 1,502,627 | 1,616,139 | 1,738,333 |
|            |       | <b>Informal settlements (Rands)</b>  |   |   |   |           |           |           |           |           |           |
|            |       | <i>Number of HH receiving this type of FBS</i>                               | - | - | - | 13,853    | 13,853    | 13,853    | 11,309    | 11,475    | 11,644    |
|            |       | <b>Informal settlements targeted for upgrading (Rands)</b>                   |   |   |   |           |           |           |           |           |           |
|            |       | <i>Number of HH receiving this type of FBS</i>                               | - | - | - | -         | -         | -         | -         | -         | -         |
|            |       | <b>Living in informal backyard rental agreement (Rands)</b>                  |   |   |   |           |           |           |           |           |           |
|            |       | <i>Number of HH receiving this type of FBS</i>                               | - | - | - | -         | -         | -         | -         | -         | -         |
|            |       | <b>Other (Rands)</b>   |   |   |   |           |           |           |           |           |           |
|            |       | <i>Number of HH receiving this type of FBS</i>                               | - | - | - | -         | -         | -         | -         | -         | -         |

|                          |       |   |   |            |            |            |            |            |           |           |
|--------------------------|-------|---|---|------------|------------|------------|------------|------------|-----------|-----------|
|                          |       | <i>Number of HH receiving this type of FBS</i>                    | - | -          | -          | -          | -          | -          | -         | -         |
|                          |       | Total cost of FBS - Sanitation for informal settlements           | - | -          | -          | -          | -          | -          | -         | -         |
| Refuse Removal           |       | <u><i>Location of households for each type of FBS</i></u>         |   |            |            |            |            |            |           |           |
|                          | R ef. | Formal settlements - (removed once a week to indigent households) |   |            |            |            |            |            |           |           |
| List type of FBS service |       | <i>Number of HH receiving this type of FBS</i>                    | - | 14,742,844 | 15,686,386 | 15,686,386 | 15,686,386 | 15,686,386 | 1,941,981 | 2,088,679 |
|                          |       | Informal settlements (Rands)                                      | - | -          | -          | 13,853     | 13,853     | 13,853     | 11,309    | 11,475    |
|                          |       | <i>Number of HH receiving this type of FBS</i>                    | - | -          | -          | -          | -          | -          | -         | -         |
|                          |       | Informal settlements targeted for upgrading (Rands)               | - | -          | -          | -          | -          | -          | -         | -         |
|                          |       | <i>Number of HH receiving this type of FBS</i>                    | - | -          | -          | -          | -          | -          | -         | -         |
|                          |       | Living in informal backyard rental agreement (Rands)              | - | -          | -          | -          | -          | -          | -         | -         |
|                          |       | <i>Number of HH receiving this type of FBS</i>                    | - | -          | -          | -          | -          | -          | -         | -         |
|                          |       | Other (Rands)   | - | -          | -          | -          | -          | -          | -         | -         |
|                          |       | <i>Number of HH receiving this type of FBS</i>                    | - | -          | -          | -          | -          | -          | -         | -         |
|                          |       | Total cost of FBS - Refuse Removal for informal settlements       | - | -          | -          | -          | -          | -          | -         | -         |

References

**Table 43: Province: Municipality (GT 485) – Schedule of Service Delivery Standard Table**

| Description Standard  | Service Level                        |
|---|--------------------------------------|
| <b>Solid Waste Removal</b>  |                                      |
| Premise based removal (Residential Frequency)   | Weekly                               |
| Premise based removal (Business Frequency)  | Weekly                               |
| Bulk Removal (Frequency)  | Weekly                               |
| Removal Bags provided (Yes/No)  | Yes (in areas without bins)          |
| Garden refuse removal Included (Yes/No)   | Yes (as part of domestic waste)      |
| Street cleaning Frequency in CBD  | Daily                                |
| How soon are public areas cleaned after events (24 hours/48 hours/ longer)  | 24 Hours                             |
| Clearing of illegal dumping (24 hours/48 hours/ longer)   | Longer                               |
| Recycling environmentally friendly practices (Yes/No)   | Yes (recycling)                      |
| Licensed landfill site (Yes/No)   | Yes, operating with temporary permit |
| <b>Water services</b>   |                                      |
| Water quality rating (Blue/Green/Brown/No drop)   | Blue drop 97%, Greendrop 68%         |
| Is free water available to all? (All/only to the indigent consumers)  | Only indigent consumers              |
| Frequency of meter reading? (per month, per year)   | Monthly                              |
| Are estimated consumption calculated on actual consumption over (two months/three months/longer period)                         | Three months                         |
| On average for how long does the Municipality use estimates before reverting back to actual readings? (months)                  | Three months                         |
| <i>Duration (hours) before availability of water is restored in cases of services interruption (complete the sub questions)</i> |                                      |
| One service connection affected (number of hours)   | 3 – 6 hours                          |
| Up to 5 service connection affected (number of hours)   | 6 – 9 hours                          |
| Up to 20 service connection affected (number of hours)  | 6 – 9 hours                          |
| Feeder pipe larger than 800mm (number of hours)   | 6 – 9 hours                          |
| What is the average minimum water flow in your Municipality?  | 25 MEGA LITERS PER DAY               |
| Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)                 | No                                   |
| How long does it take to replace faulty water meters/ (days)  | ONE DAY                              |
| Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)                                   | No                                   |
| <b>Electricity Services</b>   |                                      |
| What is your electricity availability percentage on average per month?  | 100%                                 |
| Do your Municipality have a ripple control in place that is operational? (Yes/No)   | No                                   |
| How much do you estimate is the cost saving in utilizing the ripple control system?   | N/A                                  |
| What is the frequency of meters being read? (per month, per year)   | MONTHLY                              |
| Are estimated consumption calculated at consumption over (two months/ three months/ longer period)                              | TWO MONTHS                           |
| On average for how long does the Municipality use estimates before reverting back to actual reading? (months)                   | ± 3 MONTHS                           |
| Duration before availability of electricity is restored in cases of breakages (immediately/ one day/ tow days/ longer)          | IMMEDIATELY                          |
| Are accounts normally calculated on actual readings? (Yes/No)   | YES                                  |
| Do you practice any environmental or scarce resource protection activities as part of the operations? (Yes/No)                  | YES                                  |

|  |  |
|--|--|
| How long does it take to replace faulty meters? (days)   | 24HRS  |
| Do you have a plan to prevent illegal connection and prevention of electricity theft? (Yes/No)   | YES  |
| How effective is the action plan in curbing line losses? (Good/Bad)  | AVERAGE  |
| How soon does the Municipality provide a quotation to a customer upon a written request? (days)  | 7 DAYS   |
| How long does the Municipality take to provide electricity service where existing infrastructure can be used? (working days)                               | 14 WORKING DAYS  |
| How long does the Municipality take to provide electricity service for low voltage users where network extension is not required?                          | 7 WORKING DAYS   |
| How long does the Municipality take to provide electricity service for high voltage users where network extension is not required?                         | 14 WORKING DAYS  |
| <b>Sewerage Services</b>   |  |
| Are your purification system effective enough to put water back into the system after purification?  | Yes  |
| To what extent do you subsidize you indigent consumers?  | 6kl  |
| <i>How long does it take to restore sewerage breakages on average</i>  |  |
| Severe overflow? (hours)   | 3 – 6 hours  |
| Sewer blocked pipes: Large pipes? (hours)  | 3 – 6 hours  |
| Sewer blocked pipes: Small pipes? (hours)  | 2 hours  |
| Spillage clean-up? (hours)   | 4 – 8 hours dep on size  |
| Replacement of manhole covers? (hours)   | 1 hour   |
| <b>Road infrastructure Services</b>  |  |
| Time taken to repair a single pothole on a major road? (Hours)   | Depending on the size of a pothole, can take $\pm 2$ hours                         |
| Time taken to repair a single pothole on a minor road? (hours)   | Depending on the size of the pothole, can take $\pm 1$ hour                        |
| Time taken to repair a road following an open trench service crossing? (hours)   | Depending on the size and the busy and safety of the road, $\pm 4$ hours           |
| Time taken to repair walkways? (hours)   | Depending on the length and extent of the damaged, $\pm 60$ min per m <sup>2</sup> |
| <b>Property valuations</b>   |  |
| How long does it take on average from completion to the first account being issued? (one month/three months or longer)                                     | (Municipal Manager) 5 months before implementation                                 |
| Do you have any special rating properties? (Yes/No)  | Yes (e.g Public Worship, Libraries etc)  |
| <b>Financial Management</b>  |  |
| Is there any changes in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)  | Decrease   |
| Are there financial statement outsources? (Yes/No)   | No   |
| Are there Council adopted business process the flow and management of documentation feeding to Trial Balances?   | Yes  |
| How long does it take for a Tax/Invoice to be paid from the date it has been received  | $\pm 30$ days  |
| Is there advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans? | Yes  |
| <b>Administration</b>  |  |
| Reaction time on enquiries and request   | $\pm 10$ WORKING DAYS  |
| Time to respond to a verbal customer enquiry or request? (working days)  | $\pm 5$ WORKING DAYS   |
| Time to respond to a written customer enquiry or request? (working days)   | $\pm 10$ WORKING DAYS  |
| Time to resolve a customer enquiry or request? (working days)  | $\pm 10$ WORKING DAYS  |
| How long does it take to respond to voice mails? (Yes/No)  | N/A  |
| Does the Municipality have control over locked enquiries? (Yes/No)   | N/A  |



|  |                             |
|--|-----------------------------|
| Is there a reduction in the number of complaints or not? (Yes/No)  | No                          |
| How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)                                      | 1 DAY                       |
| How many times does SCM Unit, CFO's Unit and Technical unit sit to review delays other than normal monthly management meetings?    | MONTHLY                     |
| <b>Community safety and licencing services</b>   |                             |
| How long does it take to register a vehicle? (minutes)   | 20 MINUTES                  |
| How long does it take to renew a vehicle licence? (minutes)  | 10 MINUTES                  |
| How long does it take to issue a duplicate registration certificate vehicle? (minutes)   | 25 MINUTES                  |
| How long does it take to de-register a vehicle? (minutes)  | 30 MINUTES                  |
| What is the average reaction time of the fire service to an indent? (minutes)  | 30 MINUTES                  |
| What is the average reaction time of the fire service to an incident? (minutes)  | N/A                         |
| What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)                             | N/A                         |
| What is the average reaction time of the ambulance service to an incident in the rural area?                                       | N/A                         |
| <b>Economic development</b>  |                             |
| How many economic development projects does the municipality drive?  | ONE (1)                     |
| How many economic development programme are deemed to be catalytic in creating environment to unlock key economic growth projects? | Development of the LED Plan |
| What percentage of the projects have created sustainable job security?   | LESS THAN 5%                |
| Does the Municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)      | NO                          |
| <b>Other Service delivery and communication</b>  |                             |
| Is an information package handed to the new customer? (Yes/No)   | NO                          |
| Does the Municipality have training or information session to inform the community?  | YES                         |
| Are customers treated in a professional and humanly manner? (Yes/No)   | YES                         |

## 2.15 Municipal Manger's quality certificate

I, T Goba, Municipal Manager of the Rand West City Local Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality

Print name: Themba Goba

Municipal Manager of Rand West City Local Municipality (GT 485)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_